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## ADDITIONAL INFORMATION ON CHANGES IN THE FISCAL CODE AND ITS IMPLEMENTATION NORMS

The main changes made by the Government to the Fiscal Code and to its implementation Norms for application by Emergency Ordinance 34 (Official Gazette 249/2009) and by Decision 488 (Office Gazette 286/2009) were presented in the April and May APEX Team newsletters. The following additional information is meant to be useful to implement the changes.

### VAT

#### Limitation to the right to deduct VAT

The abolition of the right to deduct VAT only applies to acquisitions of vehicles intended exclusively for road transport of persons with a maximum permissible load not exceeding 3,5T and not more than 9 seats including that of the driver.

According to provisions of article 2 letter B of OUG 109/2005 on road transport, a vehicle, by its construction and equipment (information contained on its identification docket), may be used exclusively for transport of persons or may be used jointly for the transport of both persons and goods. Subsequently, vans, trucks, pick ups and other vehicles with joint use do not fall under the limitation of the right to deduct VAT even if, in terms of load and number of seats, these vehicles are within the limits provided for in article 145<sup>1</sup> of the Fiscal Code.

The limitation of the right to deduct VAT also applies to fuel necessary to operate the vehicle or is used by the taxable entity.

The limitation to the right to deduct VAT does not apply to services which are directly related to vehicles involved in such as services as maintenance and repairs or lease instalments.

#### Classification of vehicle in categories exempted from limitation of right to deduct VAT

Each trip or use will not be individually considered because the law stipulates that the use must be exclusively for exempted purposes. The use of vehicles for several exempted categories does not cancel its classification among the exceptions allowed by law. For example, if the same vehicle is used by a sales agent and also for interventions and repair, it will be classified among the exempted categories if proven that it is not also used for purposes which are not classified among the exceptions provided for by law.

The exclusive use of a vehicle results from: the object of activity of the taxable entity, evidence grounded upon the fact that the taxable entity has employees with qualifications required in the fields provided by the exceptions, vehicle logs indicating that only staff qualified to operate the vehicle in question as well as any other evidence which may be provided.

Considering express provisions of the law which do not allow the deduction of VAT, except proving exclusive in the exempted categories, the outcome is that vehicles partly used for exempted activities and partly for activities which are not among the exceptions provided for by law, will not benefit from VAT deductions as per article 145<sup>1</sup> of the Fiscal Code.

#### Vehicles used in a lease contract (from lessee's perspective)

Provisions aimed at removing the right to deduct VAT do not apply to lease payments to the leasing company by the lessee/user during the course of the lease contract because they are deemed to represent supply of services under the scope of VAT within the meaning of article 129 point 3 letter a) of the Fiscal Code, but will apply to the designated vehicle value upon transfer of ownership at the end of the lease contract, the transfer of ownership being considered a supply of goods.

As per point 7 point 2 of implementation Norms of the Fiscal Code, the end of the lease period is also the date on which the lessee/user can opt to purchase the item prior to the end of the lease period, but not before 12 months. In such a context, we draw attention to the fact that in case the purchase option is exercised within 12 consecutive months after lease inception, the transaction will not be considered a lease but a delivery of goods as of the date on which the item was made available to the lessee/user: provisions aimed at removing the right to deduct VAT will apply to the full acquisition price of the vehicle within the limits and conditions set by law.

If the purchase option for the item by the lessee/user is exercised, supply of goods is considered to have occurred at the designated vehicle value upon transfer of ownership and this value also includes the value of the lease payments not yet due.

### Treatment of advance payments made prior to 1<sup>st</sup> May 2009

- ☑ Vehicles for which the full price has been paid in advance which were disbursed prior to 1<sup>st</sup> May 2009 are outside the scope of the cancellation of the right to deduct VAT even if delivery takes place after 1<sup>st</sup> May 2009.
- ☑ If advances have been paid before 1<sup>st</sup> May 2009 and the vehicle delivered after this date, VAT will be deductible proportionate to the amount paid before 1<sup>st</sup> May 2009.
- ☑ Vehicles which were acquired before 1<sup>st</sup> May 2009 benefit from the full VAT deduction right in accordance with provisions of the law even if they were purchased with instalment payments after 1<sup>st</sup> May 2009 or if the price is paid after 1<sup>st</sup> May 2009 under agreed upon terms of payment.

### Limitation to the right to deduct VAT – book entries

- ☑ EU acquisition of vehicles for which VAT is not deductible (further to limitations)
  - o Recording VAT by reverse tax: Debit 4426/Credit 4427
  - o Recording VAT which cannot be deducted with cost of acquisition: Debit 213/ Credit 4426
- ☑ In case of import of a vehicle for which the right to deduct VAT is limited, VAT paid at the Customs point is included in the cost of acquisition.
- ☑ In case of acquisitions in Romania, VAT is part of the cost of acquisition only in cases where VAT is fully non-deductible. As for lease transactions, taking into account tax treatment in the scope of VAT being different from that in respect of tax on profit, VAT is not fully disallowed for items acquired by lease contract and is not part of the acquisition cost of the vehicle.

### Parallel between non-deductibility of VAT and non-deductibility in the perspective of tax on profit as regards acquisition of vehicles intended exclusively for transport of persons, and associated fuel costs

#### For VAT point of view

- ☑ At purchase of vehicle, the right to deduct VAT cannot be exercised (with the exception of use of vehicle for duration lease);
- ☑ With regard to vehicle use: VAT can be deducted on the fuel necessary for operation of the vehicle which belongs to, or is used by the taxable entity, except for disallowed VAT deductions provided by the law.

#### For profit tax point of view

- ☑ For vehicles purchased or leased (by financial lease), depreciation charges are tax deductible;
- ☑ As regards the use: fuel costs necessary to operate the vehicle which belongs to or is used by the taxpayer, except disallowed VAT deductions provided by law, are not deductible.

### Change in tax status (*vector fiscal*) from quarterly to monthly submission of VAT returns subsequent to realization of an EU acquisition

Subsequent to an EU acquisition of goods for which VAT chargeability occurs after 1<sup>st</sup> May 2009, taxable entities which submitted a quarterly VAT return will file a monthly VAT return and will be more likely to file quarterly returns even if annual turnover does not exceed the ceiling of Euro 100,000. According to the month during which eligibility of VAT pertaining to the EU acquisition has taken place, the transition is reported the subsequent month under the regime of monthly submission of VAT declaration returns according to the criteria specified in OUG 34 (see Newsletter APEX Team no. 4\_2009).

However, we mention the special case when chargeability of VAT deduction occurs during the second month of the quarter. The first 2 months of the quarter constitute a separate tax period for which the taxable person must file a VAT return under

the "quarterly" regime in which information for the first 2 months of the respective quarter will be cumulative. This return is to be filed on 25<sup>th</sup> of the third month of the quarter at the latest.

According to provisions of OUG 34, the taxpayer must file a "Declaration of mentions" (*changes*) - form 092 to change the tax status ("*vector fiscal*") within 5 working days from the end of the month during which the chargeability of the VAT pertaining to an EU acquisition has occurred. The chargeability of VAT pertaining to EU acquisitions of goods is determined according to article 135 paragraphs 2 and 3 of the Fiscal Code. VAT eligibility for deduction occurs on the 15<sup>th</sup> of the month following that during which the generating event occurred or at the date of issuance of the invoice by the supplier when the latter is issued prior to that date, including advances. In cases where, up to the date of the obligation to submit the Declaration of changes - form 092, the taxable entity does not have the information on the chargeability of VAT relating to an EU acquisition that generates such obligation as well as in all other circumstances where, for reasons beyond the control of the taxable entity, the taxable entity is not aware as of the due date that chargeability of VAT pertaining to an EU acquisition has been met, the obligation to change the tax period occurs starting the month eligibility of the VAT deduction pertaining to the EU acquisition has actually occurred.

#### Example

In November 2009, a taxable entity in Romania which files a quarterly VAT return receives an invoice issued by an Irish supplier on 23 September 2009 for an EU supply of goods which took place on 14 September 2009. Up to receipt of this invoice, the taxable entity in Romania has not in fact received an item delivered by the Irish company nor had at its disposal any other information related to this EU acquisition. In this case, even if the taxable entity in question would change the reporting period from October and notify tax authorities within 5 working days after 30 September, if it is proved that for reasons not attributable to the taxable entity, the taxable entity was not aware that chargeability of VAT pertaining to this EU acquisition has occurred in September, this only being known in November, the taxable entity will change its tax period from November 2009 and submit a return for the months of October and November by 25 December and will subsequently submit its monthly VAT return.

#### Minimum Tax

Taxpayers who are not paying minimum taxes upon registration of temporary inactivity with the Trade Register are not required to apply for the derogatory declaration regime.

### ORDER 1165 dated 29 May 2009 to approve Procedures for updating tax status ("*vector fiscal*") for taxable entities registered under the scope of VAT which use the quarter as its tax period, and perform taxable EU acquisitions in Romania as well as the model and content of forms (Official Gazette 370/2009)

Taxable entities which, as per article 156<sup>1</sup> point 61 of the Fiscal Code must use the month as tax period must submit in accordance with paragraph 62 of the same article the "Declaration of mentions" (*changes*) to change the fiscal period for the taxable entities registered under the scope of VAT which use the quarter as its tax period, and perform taxable EU acquisition in Romania" (form 092).

**Form 092 is to be submitted** to tax authorities of the territorial jurisdiction of the taxable entity's domicile or where the taxable entity is registered as a taxpayer, in person or by mail with registered letter within 5 working days from the end of the month during which intervenes chargeability of VAT relating to EU acquisition of goods which generates this obligation.

**ORDER 1166 dated 29 May 2009 to amend and complement ANAF President Order 1746/2008 regarding the model and content of form 300 "VAT return" (Official Gazette 370/2009)**

This Order introduces amendments necessary to form 300 "VAT return" in line with the amendments relating to change of tax period from the quarter to the month for EU acquisition of goods.

For this purpose, a new deadline for submission is set: 25<sup>th</sup> of the third month of the quarter with respect to the first 2 months of the same quarter for the taxable entities which use the quarter as tax period and make taxable EU acquisitions in Romania when the chargeability of VAT pertaining to this EU acquisition occurs during the second month of this quarter.

The return will be submitted for the second month of the quarter but will also include operations made during the first month of the quarter.

**ORDER 1221 dated 12 June 2009 regarding Procedure for approbation of derogatory declaration regime (Official Gazette 415/2009)**

Taxpayers for whom the derogation regime was approved are not included in the list of taxpayers declared inactive. Commercial companies that, as at 1<sup>st</sup> May 2009, benefited from the derogatory declaration scheme and were registered as temporarily inactive with the Trade Register before this date under the provisions of article 237 of the Law 31/1990 on commercial companies, republished with its further amendments and additions, will keep the derogatory regime of declaration for the period for which it was approved if they meet all conditions set in this Order.

**To continue to benefit from the derogatory regime, commercial companies referred to above, have the obligation to submit to tax authorities, within 30 days of the date this Order enters into force (i.e. through 17 July 2009), a copy of the extract from the Trade Register on the status of the commercial company mentioning temporary suspension of its activity.**

Regarding the procedure for approval of the derogatory regime of declaration, we mention:

- In case of temporary inactivity, tax authorities may approve upon taxpayer request other deadlines or conditions for submission of declarations of taxes and contributions administered by ANAF.
- Submission of tax returns as per a derogatory declaration regime can be approved for a period over 12 months but no more than 3 consecutive years.
- To qualify for the derogatory regime of declaration, the taxpayer must comply with all cumulative following conditions for the duration of this regime:
  - o to carry out no type of activity;
  - o to obtain no type of operating income, financial income, extraordinary income and/or any other element similar to income;
  - o to have no employee and not pay any income subject to income tax withholding;
  - o to be regarded by tax authorities as having all of its reporting and payment obligations met;
  - o to have no request for refund of VAT in progress or any other request for restitution of tax or contribution;
  - o not to be under the subject of a tax inspection in progress;
  - o not to be registered on the list of taxpayers declared inactive;
  - o for legal taxable entities, established under the Law 31/1990 on commercial companies, republished, temporary inactivity must be registered with the Trade Register

according to the provisions of article 237 of this Act.

- The derogatory regime of declarations is requested by the taxpayer by filing an application with tax authorities where the taxpayer is registered as subject to payment of taxes and contributions.
- In the case of commercial companies, concurrent with the application for derogatory regime of declaration, evidence of registration of temporary inactivity with the Trade Register must be filed, namely a copy of an extract from the register issued by the Trade Register on the status of the commercial company mentioning suspension of activity.
- Requests are processed by tax authorities within the 30 days from the date of application by the service responsible for managing tax declarations.

The reporting obligations relating to activities prior to the period for the application of the derogatory regime of declaration remain the same.

The approved derogatory regime of declaration ceases to apply:

- From the date approved for its cessation;
- From the month during which one of the conditions is no longer satisfied.

In case of cessation of the derogatory regime of declaration, the taxpayer will return ex officio to the normal regime of the declaration.

The extension of the period of application of the derogatory regime of declaration is possible only after approval of a new request to benefit from this scheme with respect to procedures and conditions.

The following tax returns are referenced by the derogatory regime of declaration:

- form 100 "State consolidated budget liability return", code 14.13.01.99/bs;
- form 101 "Corporate tax return", code 14.13.01.04;
- form 102 "Social insurance and special funds liability return", code 14.13.01.40;
- form 103 "Excise tax return", code 14.13.01.03/a;
- form 104 "Statement for allocation of revenue and expenses between associates", code 14.13.01.01/dv;
- form 120 "Statement of excise duty", code 14.13.01.03;
- form 130 "Tax return on crude oil from domestic production", code 14.13.01.05;
- form 300 "VAT return", code 14.13.01.02.

For the fraction of fiscal year outside of the period of application of the derogatory regime of declaration, the taxpayer is required to submit forms 101, 120 and 130 by the deadlines set by law.

For other tax statements with informative declarations other than those mentioned above, the deadlines for submission and applicable administration procedures are those provided by tax legislation in force. We recall that commercial companies under the derogatory regime of declaration must, however, submit an Accounting Report as at 30 June and annual financial statements.

**ORDER 673 dated 13 April 2009 to amend OMFP 752/2006 to approve Procedures to issue tax certificate for legal entities and natural persons (Official Gazette 355/2009)**

The following will be disclosed in section A of the form:

- unsettled liabilities by type of tax, contribution or other budgetary income;
- incidental tax liabilities.

Unsettled liabilities mean for this Order the liabilities which are due by the due dates set by article 6 point 2 and are not paid as of the date of issue of the fiscal certificate to the legal entity.

**INSTRUCTION 18 dated 1<sup>st</sup> June 2009 regarding the National Bank of Romania (NBR) reference interest rate for June 2009 (Official Gazette 367/2009)**

For the month of June 2009, the NBR reference interest rate is 9.71% per annum.

**NORM 6 dated 22 April 2009 to amend NBR Norm 16/2006 regarding equity of non-banking financial institutions (Official Gazette 341/2009)**

Among the main changes introduced, we mention:

- Equity of non-banking financial institutions also include:
  - o profit carried forward which represents net unappropriated profit;
  - o interim profit posted through the date of determination of the level of equity, under the condition that it is free of any foreseeable obligation and audited by an auditor qualified to audit financial statements of non-banking financial institutions.
- To determine the level of equity, the following elements will also be deducted:
  - o Amounts of net profit of the previous financial year which represent dividends, staff participation in profit and profit-based management benefits up to the date of approval by the General Shareholder Meeting of the annual financial statements;
  - o profit allocation.

**ORDER 1554 dated 18 June 2009 to approve technical Norms for registration of economic operators and other persons with Customs Authorities (Official Gazette 429/2009)**

After 1<sup>st</sup> July 2009, a single registration and identification number, referred to as EORI, is allocated to serve as a common reference in the relations between operators and customs authorities on the territory of the European Union as well as for exchange of information between customs authorities and between customs authorities and other authorities.

**Bilateral Agreement between Switzerland and the European Union on free movement of persons**

As at 1<sup>st</sup> June 2009, Protocol II to expand the Bilateral Agreement on the free movement between the EU and the Swiss Confederation to Romania and Bulgaria entered into force. As per Regulation EEC 1408/71 for application of social security schemes relating to employed persons, to independent workers and their families moving within the Community and Regulation ECC 574/72 setting its implementation, the provisions shall also apply to Swiss nationals and Member States of the EU nationals who move between Romania and Switzerland. Starting 1<sup>st</sup> June 2009, the E101 certificate will be available for both the Swiss nationals and the Member States of the EU nationals seconded in Romania by their Swiss employer and for Romanian nationals or if applicable, for Swiss nationals or of other Member States of the EU seconded in Switzerland by their Romanian employer.

**ORDER 634 dated 18 May 2009 to implement NetC@RDS PROJECT to improve administration of medical services granted to migrants within EU Member States and the European Economic Area (Official Gazette 408/2009)**

This Order approves implementation of the NetC@RDS so that migrant in Romania can benefit from medical services on the territory of the Romania on the basis of their European social health insurance card.

**LAW 209 dated 2 June 2009 to amend and complement Law 19/2000 on the public pension system and other rights of social insurance (Official Gazette 385/2009)**

This Law introduces some amendments regarding the beneficiary of the State pension as well as on the payment suspension of payment.

**EMERGENCY ORDINANCE 57 dated 27 May 2009 to amend Law 416/2001 on guaranteed minimum income (Official Gazette 391/2009)**

Starting July 2009, the level of monthly guaranteed minimum income is:

- RON 125 for a single person;
- RON 225 for a family consisting of 2 persons;
- RON 313 for a family consisting of 3 persons;
- RON 390 for a family consisting of 4 persons;
- RON 462 for a family consisting of 5 persons;
- and RON 31 for each other person beyond 5 persons who is part of the family according to the conditions of this law.

**DECISION 630 dated 20 May 2009 to amend implementation Norms of Law 200/2006 regarding funding and use of Fund to guarantee payment of salary liabilities, approved by HG 1850/2006 (Official Gazette 362/2009)**

The contribution rate to the Fund to guarantee payment of salary liabilities applies to the amount of income which represents, as per legal provisions, the base of contributions to individual contributions to unemployment insurance for employees under labour contract for working full or part time or at home, under contract with a temporary labour agency or apprenticeship at the work place irrespective of its duration, **including employees who accumulate their pension benefit with a labour contract** in the conditions of the law.

**LAW 207 dated 2 June 2009 to approve Government Ordinance 86/2008 to amend Law 448/2006 on protection and promotion of rights of persons with disabilities (Official Gazette 391/2009)**

This Law regulates conditions in which adults with a severe or accentuated disability may benefit from loans, where associated interest is supported by the State, to acquire a vehicle and to adapt access to their accommodation to their individual.

**REMINDER – Protection and promotion of rights of persons with disabilities**

Public authorities and institutions, as well as public and private legal entities with at least 50 employees are required to employ people with disabilities at a percentage of at least 4% of their headcount. If they do not comply with this obligation of employment, one of the following alternatives must to be exercised:

- pay an amount representing 50% of national minimum gross base salary multiplied by the number of job positions for which disabled persons were not recruited, to the State on a monthly basis;
- acquire products manufactured or use the services provided by disabled employees of authorized protected units, **on the basis of partnership**, for an amount equivalent to that which would have been paid to the State in the case above. For example, see this legal alternative noted at the following internet link: <http://www.hr-specialists.eu>.

**SUMMER JOBS AND INTERNSHIPS**

During their holidays, pupils and students aged 16 or above can work in different seasonal activities on a temporary basis. Parental consent is required for pupils and students who are 16 or 17 years old. Only pupils or students 18 years and older

**H.R. KEY FIGURES**

2009 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 8.48	
Average monthly gross salary (INSSE April 2009)	1,930 RON	
Per diem (in Romania)		
Employees in the public sector	13.00 RON	
Employees in the private sector (*2.5)	32.50 RON	

may occupy work positions with difficult working conditions, hazardous or presenting risk of injury.

A labour contract for a determined period can be concluded. The trial period is 5 working days for a labour contract for less than 3 months. The number of working hours for employees under 18 years old cannot exceed 6 hours per day and 30 hours per week. Overtime or night shifts are not allowed. A daily a luncheon break of 30 minutes must be granted.

The employer which, during the legal school vacation periods, recruits pupils or students will benefit from a monthly financial aid equal to 50% of the social reference indicator (RON 500) for each employed pupil or student, but no more than 60 working days per calendar year. To benefit from this aid, the employer must conclude an agreement with the Labour Agency within 30 days of the employment date during legal school vacation periods.

The financial aid is deducted by the employer from its employer contributions to unemployment insurance.

There is also the possibility of internships, especially for the students on an unpaid basis.

As for the civil contracts, some tax inspectors do not recognize them and re-qualify them as labour contracts with all social and fiscal obligations it triggers.

**REMINDER – Unemployment allowances for new graduates**

Graduates who 60 days after the date of their graduation, have not succeeded in finding a job may receive unemployment allowances. These are granted after the expiry of the period of 60 days upon registration with the Labour Agency, 30 days after expiry of that period of 60 days at the latest.

Unemployment allowances are granted a once for each form of education sanctioned by a diploma. The amount is 50% of national minimum gross base salary per month and is granted for a period of 6 months.

Graduates who, on the date of the application, continue their education do not qualify for unemployment allowances.

**REMINDER – Deductibility of interest on foreign currency loans**

As per HG 616 dated 20 May 2009 (Official Gazette 351/2009), the interest rate for loans denominated in foreign currency is capped at **8%** (previously 7%) for the purpose of determining taxable profit, starting in 2009.

We remind that this 8% interest rate ceiling applies to loans granted by entities other than international development banks and similar organizations, Romanian or foreign credit institutions and non-banking financial institutions, loans guaranteed by the State or bonds traded on a regulated market.

Interest expense that exceed this ceiling are not tax deductible and cannot be carried forward.

**IMPORTANT- Mandatory information to disclose on the receipt form**

According to the provisions of Order 3512/2008 on financial and accounting documents (Official Gazette 870/2008), the minimum content of information of the receipt form for RON or foreign currency is the following:

- for the entity which issues the receipt:
  - number and date (day, month, year)
  - name of the legal entity or, if applicable, first name and name of the natural person as well as his/her Personal Numerical Code (CNP) receiving petty cash
  - registration number at the Trade Register**
  - tax registration number
  - registered address/domicile (town, street, number, county)
  - sum in figures and letters
  - what the amount collected represents
  - signature of the cashier
- for the entity which receives the receipt for disbursing funds:
  - name of the entity or first and last name of the individual submitting funds to petty cash
  - registration number at the Trade Register**
  - tax registration number

As observed above, the obligation to specify the Trade Register number exists for both the entity that issues the receipt and the entity which performs the payment in petty cash and thus receives receipt.

Similarly, we recall that each form of receipt must have a series and a number which correspond to intervals of series/numbers allocated annually by internal decision to persons responsible for managing the documents (as in the case of invoices and delivery notes).

We recommend that receipt forms disclose all information specified above to avoid Financial fines Guard.

### IMPORTANT – Possible change of the guaranteed minimum gross salary as at 1<sup>st</sup> July 2009

Government Decision 1051 dated 10 September 2008 to establish the national minimum gross base salary per month (Official Gazette 649/2008) sets: "In June 2009, the Government together with social partners will analyse the effective average gross employee income for the first 4 months of 2009. In case the outcome is a deviation from the planned domestic average gross employee by more than 5%, the Government will amend through a Decision the domestic guaranteed minimum gross salary starting 1<sup>st</sup> July 2009 so that it represents 33% of the actual average gross employee income." Consequently, a change may occur starting 1<sup>st</sup> July 2009. This change will be enacted by an addendum to the labour contract that must be registered with the Labour Inspectorate within 5 calendar days starting 1<sup>st</sup> July 2009.

### JULY 2009 – AGENDA

#### Every day - do not forget:

- To complete the petty cash register (or print electronic version)
- To complete the purchase ledger and sales ledger

#### At month end - do not forget

- To complete the journal ledger
- To complete the Tax Evidence Register (to disclose computation of tax profit/loss from accounting profit/loss) for Quarter II 2009
- To register contracts concluded during the month for services rendered by non-residents, with tax authorities
- 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 July 2009 (but be aware that the deadline of the 15<sup>th</sup> of the following month applies).

#### To comply with new 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 Tuesday 5 June is last day to submit

- Form 092 (amendments) to change from Quarterly to Monthly VAT returns for EU acquisitions in June 2009. Starting July, the VAT return will be submitted monthly and a separate return for the April-May period will be submitted.

##### That Friday 10 July is the last day to submit

- Return on collection of hotel tax

##### That Friday 10 July is the last day to pay

- Hotel tax
- Advertising service tax

##### That Wednesday 15 July is the last day to submit

- INTRASTAT statement for June 2009.

##### That Monday 27 July is the last day to submit

- State consolidated budget liability return (form 100)\*

- Social insurance and special funds liability return (form 102)\*
- Excise tax return (form 103)\*
- VAT return (form 300)\*
- Recapitulative Statement of EU supply/acquisition regarding Quarter II 2009 (form 390)\*
- Informative Statement on domestic supplies/services rendered and acquisitions regarding first half of 2009 (form 394)\*
- 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 Monday 27 July 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
- Tax on profit/minimum tax**
- Tax on the micro enterprise income/minimum tax
- Salary tax
- Tax on income from independent activities, withheld at source
- Tax on interest income
- Tax on investment income
- 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 a headcount over 50
- Contribution to the Environment Fund
- Gambling tax.

##### And in the near future.....

- "Accounting Report" as at 30 June 2009 (balance sheet, income statement, informative data) is due by 14 August 2009!!!

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](http://www.mfinante.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.



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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 team specialised in payroll administration on behalf of the client.

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

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



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