

Measures regarding the amnesty of ancillary obligations

In the Official Gazette no. 905 of 6 September 2024, the Emergency Ordinance no. 107/2024 was published. The Emergency Ordinance concerns the cancellation of accessories for all categories of debtors. Specifically, the following facilities are implemented:

- Cancellation of all accessories related to the main budgetary obligations, outstanding on August 31, 2024
- Interest, penalties and all accessories related to the main budgetary obligations, outstanding on August 31, 2024 inclusive are cancelled if certain conditions are cumulatively met, as follows:
 - All main budgetary obligations outstanding on August 31, 2024 inclusive to be settled by the date of submission of the request for cancellation of accessories;
 - All main and ancillary budgetary obligations administered by the central tax authority, with payment terms between September 1, 2024 and the date of submission of the request for cancellation of accessories;
 - The taxpayer must have submitted the tax returns, according to the tax vector.
- Cancellation of all accessories related to the main budgetary obligations, additionally declared by the debtor through a rectifying statement, with a maturity prior to August 31, 2024 inclusive, administered by the tax authority
- Interest, penalties and all accessories related to the differences in main budgetary obligations declared additionally are cancelled if certain conditions are cumulatively met, as follows:
 - The individualized obligation in the rectifying statement must be settled;
 - All main and ancillary budgetary obligations administered by the central tax authority, with payment terms between September 1, 2024 and the date of submission of the request for cancellation of accessories, to be settled;
 - The taxpayer must have submitted the tax returns, according to the tax vector. In addition, this tax facility is also applicable in case of correction of potential errors in VAT returns.
- Cancellation of all accessories, related to the main budgetary obligations with maturities prior to August 31, 2024 inclusive, imposed as a result of the tax audit, in progress on September 6, 2024
- Interest, penalties and all accessories related to the main budgetary obligations administered by the central tax authority are cancelled if the following conditions are cumulatively met:
 - The differences in main budgetary obligations must be settled within the payment term established by the tax decision;
 - The request for cancellation of the accessories must be submitted within 90 days from the date of communication of the tax decision.The differences in main budgetary obligations related to the fiscal periods up to August 31, 2024, established by the tax authority through a tax decision issued and communicated until September 6, 2024, as a result of a concluded tax audit, may also be subject to the amnesty.

In addition, taxpayers who are to be subject to a tax inspection can submit corrective tax returns but no later than September 26, 2024. In addition, until this date, the tax authority has the obligation to notify debtors of the existence of an ongoing documentary verification.

With regard to these tax amnesty measures, we mention the following aspects:

- the tax facility is granted at the taxpayer's request, by submitting a request for the cancellation of accessories, until November 25, 2024 inclusive;
- in order to establish with certainty the relevant budgetary obligations, taxpayers may notify the tax authority until the date on which they submit the cancellation request, and the tax authority will issue the tax certificate within 5 working days from the notification.
- the amnesty of accessories does not apply to budgetary obligations rescheduled for payment or whose execution has been suspended on August 31, 2024 inclusive. However, the accessories related to the tax receivables rescheduled for payment may be subject to cancellation, provided that the principal is settled, if the rescheduling loses its validity or is completed no later than November 25, 2024.
- the accessories related to the outstanding budgetary obligations on August 31, 2024 can be canceled only if they have not already been settled or if they are settled after the date of entry into force of the amnesty ordinance (September 6, 2024), in which case they can be refunded.
- the tax incentives can also be applied to the outstanding budgetary obligations on August 31, 2024 to the local budgets. In this regard, the application is optional, and the facility can be applied only if it is established by a decision of the local council, which will also include the procedure for granting the cancellation of accessories.

- Cancellation of some main tax liabilities in the case of individuals
- Individual debtors, including those who carry out economic activities independently/ exercise individual professions and who have outstanding main budgetary obligations as of August 31, 2024:
 - in an amount of less than RON 5,000 inclusive, settled by 50% by the date of submission of the cancellation request, but no later than

November 25, 2024, the following may benefit:

- the cancellation of 50% of the main budgetary obligations, outstanding on 31 August 2024 inclusive;
- cancellation of interest, penalties and all accessories related to the main budgetary obligations, outstanding on August 31, 2024 inclusive, if the condition of letter a) is met.

b) in an amount greater than RON 5,000, 75% settled by the date of submission of the cancellation request, but no later than November 25, 2024, may benefit from:

- the cancellation of 25% of the main budgetary obligations outstanding on August 31, 2024 inclusive;
- cancellation of interest, penalties and all accessories related to the main budgetary obligations, outstanding on August 31, 2024 inclusive, if the condition of letter a) is met

5. Granting of financial bonuses²

The proposed tax facility aims to grant a 3% bonus from the annual corporate income tax and microenterprise income tax, related to the fiscal year 2024/modified fiscal year starting in 2024, as the case may be. In the case of the tax group, the allowance is applied to the annual corporate income tax declared by the responsible legal entity. The bonus is granted ex officio by the central tax body, by issuing a decision, in compliance with the following conditions:

- a) The taxpayer has the tax returns submitted according to the tax vector;
- b) The annual corporate income tax/microenterprise income tax, related to the year 2024/amended fiscal year starting in 2024, as the case may be, are paid in full and within the deadlines provided by law;
- c) The taxpayer does not register any other outstanding fiscal/budgetary obligation at the legal deadline for submitting the declarations declaring the annual corporate income tax for the year 2024/modified fiscal year starting in 2024, respectively declaring the microenterprise income tax for the fourth quarter of the fiscal year 2024, according to the law.

The amounts subject to the bonus are not refunded, but are used to offset the taxpayer's tax obligations. Particularly, the tax liabilities subject to the allowance, for which the limitation period of the right to request the refund is fulfilled, shall be refunded if they have not been offset with other budgetary obligations.

The bonus also applies if, at the end of the 2024 fiscal year/modified fiscal year starting in 2024, taxpayers owe minimum turnover tax.