

12 December 2014

Fiscal Bulletin



Summary:

1. Press release from the Ministry of Finance with regard to amendments in the fiscal area

Important amendments brought to the Fiscal Code

The Government Emergency Ordinance for amending and supplementing Law No. 571/2003 regarding the Romanian Fiscal Code was approved on December 10, 2014, in the Government Meeting. The approved version will be published soon in the Official Gazette of Romania, but some amendments have already been confirmed by the Ministry of Public Finances through a press release, as follows:

1. Excise duties value starting with 2015

In 2015, the excise duties value in local currency will not be computed anymore by using a provided exchange rate, but it will have the same value in RON of the excise duties applied in 2014, according to the press release of the Ministry of Public Finances. For 2014, excise duties value in RON was computed by using an exchange rate of 4.738 RON/EUR¹, higher than the exchange rate published by the Central European Bank, i.e. 4.4485 RON/EUR.

Starting with 2016, the excise duties level will be updated yearly with the consumer price index for the last 12 months.

It is our opinion that these amendments are still not harmonized with the excise duties European Directives and, consequently, Romania risks an infringement procedure that may be initiated by the European Commission.

2. The extension of the deadline for the application of taxes in the energy sector

The deadline for the application of the three taxes in the energy sector introduced on February 1, 2013 (i.e. tax on additional income as a result of de-regulation of natural gas

¹ Determined by a new computation formula introduced in the Fiscal Code by GEO No. 102/2013, computation formula which was repealed by the present amendments.

prices, tax on the exploitation of natural resources and the taxation of the activities that could be classified as natural monopoly) is extended until January 1, 2016.

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Editors

Țuca Zbârcea & Asociații Tax S.R.L. is the specialised tax consultancy entity of Țuca Zbârcea & Asociații, offering a full range of advisory and compliance services. Țuca Zbârcea & Asociații Tax S.R.L. covers transaction planning, operational tax advice, efficiency structures (tax optimization schemes), tax reviews and due diligence, tax authorities' audits and dispute resolution (including mitigating the risks and the potential impact of time-consuming disputes with local fiscal authorities), tax compliance and representation, as well as transfer pricing. Our team comprises seven tax consultants previously working in management positions with Big Four companies and the Ministry of Finance. The group cooperates closely with the firm's lawyers specialising in administrative law, as well as contentious-administrative disputes.

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