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Fiscal Bulletin



Summary:

1. Law no. 11/2015 approving the Government's Emergency Ordinance No.102/2013 for amendment and completion of the law No. 571/2003 regarding the Fiscal Code (the "Fiscal Code") and the regulation of the financial-fiscal measures

The construction tax rate has been reduced to 1%

The Law no. 11/2015 („Law”), published in the Official Gazette, Part I, No. 24/13.01.2015, approving the Government's Emergency Ordinance No. 102/2013 for amendment and completion of the Fiscal Code, reduces the construction tax rate, starting 2015, from 1.5% to 1%.

Moreover, the Law clarifies certain aspects regarding the taxable base and the constructions which are subject to tax, accommodating a more accurate version of the existing provisions. These include:

- The unadjusted taxable base is determined by the debit account representing the gross value of the existing constructions belonging to taxpayers' assets as at 31 December of the previous year;
- If the value of the debit account is modified during the year, no adjustments are performed to the current construction tax due; however, such developments are considered when computing the construction tax for the following year;
- The taxable base does not include the value of the constructions for which building taxes are due to the Local Budget;
- No tax is due for constructions located outside Romania's borders, regardless if they are situated within the territorial waters or the maritime economic zone of Romania.
- The expense determined by the construction tax is deductible for profit tax purposes.

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