



VAT Compliance Services

One of the consequences of Romania's EU Accession is that foreign companies performing taxable supplies in Romania may be required to register for VAT purposes in Romania and observe Romanian VAT legislation. Companies already registered for VAT purposes in Romania are required to observe the recently introduced reporting requirements for intra-community transactions.

Do you need to register for VAT in Romania?

Foreign businesses have to perform an analysis to determine whether VAT registration in Romania is required. VAT registration may be necessary, for example, if you carry out one of the following activities:

- Keep stocks in a warehouse in Romania.
- Send goods to Romania for processing purposes and the finished products do not return to the Member State from which the raw materials were initially shipped.
- Are involved in cross-border leasing operations with Romanian lessees.
- Perform distance sales (e.g. on-line sale of goods to Romanian individuals) which exceed the threshold of EUR 35,000.
- Perform intra-community acquisitions in Romania or intra-community supplies from Romania.
- Perform supplies with installation (i.e. turn-key projects) for which you are required to import (i.e. from outside the EU) the goods installed, etc.

Options for VAT registration

If you decide to register for VAT purposes in Romania, you select one of the following options:

- Appoint a fiscal representative (for both EU and non-EU established companies);
- Apply for direct registration (only available for EU established companies).

If you select to appoint a fiscal representative, you should take into consideration that according to Romanian legislation the company appointed as fiscal representative is held jointly liable to the tax authorities for Romanian VAT.

Are you already registered for VAT purposes in Romania?

If you are already registered for VAT purposes in Romania, you should be aware that due to the complexity of the new VAT rules, VAT compliance has become increasingly complex and difficult to manage. Without the appropriate compliance, you would not be in the position to produce accurate returns or you may be exposed to unexpected charges and penalties.

How could we assist you?

PricewaterhouseCoopers provides a number of services to assist clients meet their needs for VAT compliance, including:

- Analysis of the business scheme to determine whether VAT registration is required;
- Assistance with the tax authorities during the registration process;
- Completion of VAT returns and preparation of any supporting documentation;
- Preparation of the Recapitulative Statement for Intra-community acquisitions and supplies;
- Completion of the Intrastat statements.

Alternatively, our experts within the VAT compliance group can review the following documents:

- VAT returns;
- Recapitulative Statement for Intra-community acquisitions and supplies;
- Intrastat statements for businesses which prepare VAT reporting documents in-house, but would like to make sure that their VAT returns have been checked by experts and that their VAT recovery has been maximised.

For more information, please contact:

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