

Fiscal Code Amendments

3 August 2016

In brief

Law no. 112/2016 amending Law no. 227/2015 regarding the Fiscal Code was published and its provisions entered into force on 2 June 2016.

In detail

Social security contributions

Individuals who exclusively obtain investment income and/or income from other sources below the level of the national minimum gross salary are not liable to pay health insurance contributions for such income.

Individuals who do not obtain income for which the health insurance contribution is due and who are not in the category of individuals exempt from paying this contribution or in the category of individuals for whom the contribution payment is covered from other sources are liable to pay health insurance contributions, as follows:

- monthly, for a period of at least 12 consecutive months, by applying the individual contribution rate to the calculation base representing the value of the national minimum gross salary;
- on the date that they use public health system services, by applying the individual contribution rate to the calculation base

representing the value of seven times the national minimum gross salary.

Local taxes

- The categories of people who qualify for exemption from building tax, land tax, transportation tax, fees for issuing certificates, permits, licences and from special taxes have been extended to include those defined by art. 1 of Government Ordinance 10/1999.
- Clarifications have been introduced regarding the declaration and payment of advertising and publicity tax. The tax has to be declared and paid by the provider on a monthly basis, by the tenth day of the month following that in which the agreement to provide services enters into force.
- The law mentions that if the city council is dissolved, the levels of local taxes can be approved by order of the mayor. If the mayor cannot carry out such duties, the levels of local taxes can be approved by a decision issued by the administrative-territorial

unit secretary or a designated person.

[Source: Law no. 112/2016 for the approval of Emergency Ordinance no. 41/2015, The Official Gazette of Romania no. 408, 30 May 2016]

The takeaway

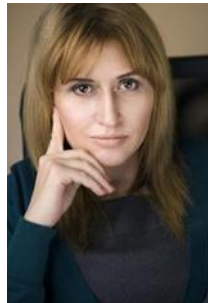
- Individuals who exclusively obtain investment income and / or income from other sources are not liable to pay, under certain conditions, health insurance contributions.
- The law clarifies the declaration and payment of advertising and publicity taxes.

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:



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