

Fiscal Code Amendments

11 July 2016

In brief

Government Emergency Ordinance no. 32/2016 amending Law no. 227/2015 regarding the Fiscal Code, with subsequent amendments and supplements, has been published.

In detail

Income tax

- Individuals who derive salary income or other income treated as such from applicative and technological research and development activities have been introduced into the category of income tax exempt taxpayers. The exemption applies starting with August 2016 income. The exemption application conditions will be established by common order of the Ministry of National Education and Scientific Research, the Ministry of Economy, Commerce and Business, the Ministry of Public Finance, the Ministry of Labour, Family, Social Welfare and the Ministry of Agriculture and Agricultural Development. The Order will be ratified by 1 August 2016.
- The transfer of property rights on

immovable property under the provisions of Law no. 77/2016 regarding the transfer of property rights in lieu of payment is not subject to income tax, for a single operation.

- Income derived by statisticians from data collecting activities from the population and legal entities for statistical research performed with the purpose of obtaining official statistics have been introduced into the category of income from other sources. The above rule does not apply to income obtained under contracts concluded based on Law 53/2003 – the Labour Code, republished, with subsequent amendments and supplements, or according to work agreements concluded based on Law 188/1999 regarding the Status of Civil Servants, with

subsequent amendments and supplements.

Value added tax

- AS of 1 August 2016, the 9% VAT rate will also apply to supplies of fertilisers and pesticides used in agriculture, supplies of seeds and other agriculture products for seeding or planting, and supplies of services used in the agriculture sector.

[Source: The Official Gazette of Romania no. 488, Government Emergency Ordinance no. 32/2016, 30 June 2016]

The takeaway

Individuals who, as of 1 August 2016, obtain salary income or other income treated as such from applicative and technological research and development activities are income tax exempt, under certain conditions.

The transfer of property rights on immovable property under the provisions of Law no. 77/2016 regarding the transfer of property rights in lieu of

payment is not subject to income tax, for a single operation.

Income derived by statisticians from data collecting activities from the population and legal entities for statistical research

performed with the purpose of obtaining official statistics have been introduced into the category of income from other sources, under certain conditions.

As of 1 August 2016, the reduced VAT rate of 9% will also apply to supplies of various agricultural products, as well as for supplies of services used in the agriculture sector.

Let's talk

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



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