

31 March 2020

# COVID-19 Fiscal Insights



## Summary:

1. **Emergency Government Ordinance No. 33/2020 regarding certain fiscal measures**

## New fiscal measures in the context of the economic difficulties caused by the COVID-19 epidemic: corporate income tax and VAT for certain imports

---

In the context of the economic and financial difficulties caused by the spread of the COVID-19 virus, the Romanian Government has adopted the Emergency Ordinance No. 33/2020 regarding certain fiscal measures and the amendment of certain normative acts, published in the Official Gazette no. 260/30.03.2020.

1. **Taxpayers paying on time the corporate income tax due on 25 April 2020 will receive a bonus of 5% or 10%**

The corporate income tax payers, regardless of the declaration and payment system, who pay the tax due for the first quarter of 2020, respectively for the advance payment correspondent to the same quarter, until 25 April 2020 inclusive, will benefit from a bonus applied on the corporate income tax due.

More specifically, the large taxpayers will benefit from a 5% bonus, while small and medium taxpayers will benefit from a 10% bonus.

The facility also applies to taxpayers having the fiscal year different from the calendar year, if they pay the tax due quarterly until the deadline within the period 25 April - 25 June 2020.

Also, the same bonuses will apply to companies falling under the Law no. 170/2016 regarding the specific tax for certain activities, as well as for companies subject to the microenterprise taxation regime.

The taxpayers establish the payable corporate income tax/microenterprise tax by diminishing the tax due with the bonus computed as per the above provisions.

For corporate income taxpayers, the bonus will be included separately in the annual corporate income tax return.

**2. VAT is no longer payable for imports of goods used for the prevention and treatment of COVID-19**

VAT is no longer payable at the moment the import customs formalities are performed, for imports of certain products used for the prevention and fight against the spread of COVID-19 virus, which are performed during the period when state of emergency is in force and 30 days after the state of emergency period has ceased. VAT related to such imports will be registered via the reverse-charge mechanism.

The incentive is available for the import of certain medicine, protection equipment, other devices or medical equipment and sanitary materials which can be used for the prevention, limitation, treatment and fight against COVID-19 virus, these goods being specifically mentioned in the annex to the Ordinance.

*[cristian.velcu@tuca.ro](mailto:cristian.velcu@tuca.ro)*

## 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 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.

Țuca Zbârcea & Asociații and Țuca Zbârcea & Asociații Tax S.R.L. are collaborating with **Andersen Global** in Romania.



Alexandru Cristea  
Tax Partner  
+4 037 413 61 15  
alexandru.cristea@tuca.ro

### TZA CONSULTANȚĂ FISCALĂ

TAX ENTITY OF ȚUCA ZBÂRCEA & ASOCIAȚII

Șos. Nicolae Titulescu nr. 4-8  
America House, Aripa de Vest, et. 8  
Sector 1, 011141, București, România  
T + 4 021 204 88 90  
F + 4 021 204 88 99  
E office@tuca.ro  
www.tuca.ro/tax

This material is for reference only. It does not seek to provide final fiscal advice, which may be requested according to each specific issue. For details and clarifications on any of the topics dealt in this Fiscal Bulletin, please do not hesitate to contact the tax consultants indicated hereinabove.