

29 June 2020

COVID-19 Fiscal Insights



Summary:

1. **Emergency Government Ordinance No. 99/2020 regarding certain fiscal - budgetary measures, amendment of certain acts and extension of certain deadlines**

Tax measures in the context of the economic difficulties caused by COVID-19

In the context of the economic and financial difficulties caused by the pandemic of the new COVID-19 virus, the Romanian Government adopted the Emergency Ordinance No. 99/2020 regarding certain fiscal - budgetary measures, amendment of certain acts and extension of certain deadlines (“EOG No. 99/2020”), published in the Official Gazette No. 551/25.06.2020.

In the following we present the main aspects included in the mentioned normative act:

1. Specific tax

For the year 2020, no specific tax is due for a period of 90 days, starting with 25 June 2020, by the taxpayers obliged to pay the specific tax according to Law No. 170/2016.

The deadline for declaring and paying the specific tax for the first semester of 2020 is also postponed until 25 October 2020.

2. VAT measures

Supplies, imports and intra-community acquisitions of personal protective masks and intensive care units necessary for the establishment of the rescue reserve - the European Union's capacity reserve are exempt from VAT.

The measure is applicable until 1 October 2020.

3. Measures concerning the bonuses granted for the payment of micro-enterprise tax/profit tax

More clarifications are brought with respect to the unitary application of the bonus representing 10% of the tax due for the following categories of taxpayers: corporate income

taxpayers (regardless of the declaration and payment system) who pay the tax due for the second and third quarters of 2020 until the due date (25 July 2020 and 25 October 2020, respectively), taxpayers paying micro-enterprise tax who pay the tax due for the second and third quarters of 2020 until the due date (25 July 2020 and 25 October 2020, respectively), taxpayers paying profit tax having a modified fiscal year and those paying specific tax, as well as profit tax.

4. Extension of the applicability of certain fiscal measures

The applicability of the following fiscal measures introduced by the Government Emergency Ordinance No. 29/2020 and the Government Emergency Ordinance No. 48/2020 will be extended until 25 October 2020:

- The measures through which no ancillary obligations are due for the fiscal obligations that have their due date after 21 March 2020;
- The measures through which no ancillary obligations are due for the late payment of the **instalments** from the rescheduling graphic;
- The measures regarding the suspension of the forced execution, the reduction of the period for VAT reimbursement, the suspension of the statute of limitation, the suspension of the conditions for maintaining the payment rescheduling.

ramona.moisa@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

TZ/A 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.