

01 April 2021

Fiscal Bulletin



Summary:

1. **Government Emergency Ordinance No. 19/2021 regarding certain tax measures, as well as for amending and completing certain normative acts in taxation area**

A new series of tax measures

Government Emergency Ordinance No. 19/2021 regarding certain tax measures, as well as for amending and completing certain normative acts in taxation area was published in the Official Gazette No. 315/29.03.2021, in force as of 29 March 2021.

1. **Amnesty of ancillary obligations (GEO 69/2020)**

The possibility of cancelling the ancillary obligations for the debts due before 31 March 2020, initially introduced by the GEO 69/2020 regarding certain fiscal-budgetary measures, is extended until 31 January 2022.

Separately, the amnesty is extended for the debtors who have such obligations related to periods before 31 March 2020, imposed by tax decisions issued at the end of tax audits that are either ongoing on 29 March 2021 or will be started after this date (until 31 January 2022).

2. **VAT refund subject to subsequent tax audit (GEO 48/2020)**

The application of the measure regarding the VAT refund subject to subsequent tax audit is extended until 31 January 2022.

3. **Restructuring of budgetary obligations (GO 6/2019)**

The deadline for submitting the notification regarding the intention to restructure the budgetary obligations and, respectively, the deadline for the related request have been extended (until 30 September 2021 and, correspondingly, 31 January 2022).

4. **Payment scheduling, in simplified form (GEO 181/2020)**

The deadline for granting this facility is extended until 30 September 2021.

5. Specific tax related to Horeca sector

Taxpayers in the Horeca sector do not owe specific tax in 2021 for a new period of 90 days (as of 1 April 2021), as a continuation of the exemption applicable for the first quarter of the year.

6. Early education

The application of the tax facilities for early education are suspended until 31 December 2021 (the motivation included in the preamble of the Ordinance being both the existence of ambiguities in the manner of application, as well as the lack of funds at the level of the state budget).

During the period of suspension, the expenses for the operation of nurseries and kindergartens under the administration of taxpayers are considered deductible expenses up to a rate of up to 5%, applied to the amount of expenses with staff salaries.

7. Amendments to the Fiscal Code

• Income tax

Clarifying rules are introduced regarding the deduction of the purchase cost of electronic fiscal cash registers, in the case of associations without legal personality for which the annual income tax is established by each associate.

• Value added tax (VAT)

The amounts representing VAT payable should not be carried forward in the VAT return, if the tax authorities were recorded in the list of creditors in the insolvency procedure for those amounts (i.e. rule reintroduced).

Following Brexit, the operations between taxable persons in Romania and taxable persons in the United Kingdom of Great Britain should not be included in the recapitulative statements.

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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** in Romania.



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