

TAX HOT TOPICS

April 2017

Methodological Norms for the application of Law no. 170/2016 regarding the tax on specific activities

Common Order of the Ministry of Tourism and Ministry of Public Finance no. 264/464/2017 published in the Official Gazette no. 266 of 14 April 2017

- ❖ The Methodological Norms for the application of Law no. 170/2016 bring additional clarifications in relation to the tax on specific activities. Of those, we mention the following:
 - ❖ Romanian legal entities having the NACE codes mentioned at article 1 of Law no. 170/2016 (i.e. NACE 5510, 5520, 5530, 5590, 5610, 5621, 5629, 5630), but do not effectively carry out activities in those specific areas, are not liable to pay the tax on specific activities;
 - ❖ The Methodological Norms clarify the fact that Romanian legal entities applying the micro-enterprises tax regime at 1 January 2017 do not owe the tax on specific activities;
 - ❖ The new provisions clarify the concept of "hotel complex" (Rom. "complex hotelier"), the services which may be provided within a hotel complex and the manner in which the income related to these services is taxed, depending on whether they are included or not within a predefined package of services, as well as depending on the proportionality between the accommodation capacity and seats within the public catering establishments (e.g. restaurants, bars);
- ❖ Romanian legal entities deriving income from the activities regulated by Law no. 170/2016, as well as income from other activities which are not subject to this law will simultaneously owe the tax on specific activities, as well as corporate income tax, thus requiring a clear delimitation between the income and expenses related to each type of activity carried out, as well as a rational method for allocation of common expenses;
- ❖ Income from interest and foreign exchange differences other than those related to accommodation or catering function, income related to sub-franchise activities, income from recharging of food products and rental income are not considered income related to activities regulated by the Law no. 170/2016.

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Amendments to the Procedure for solving the VAT returns with negative amounts a with reimbursement option

NAFA's president Order no. 1.232/12.04.2017 published in the Official Gazette no. 262 of 13 April 2017

- ❖ The present Order amends the procedure for solving VAT returns with negative amounts with reimbursement option. The main amendments refer to:
 - ❖ setting up of a special database at the level of NAFA, containing the taxpayers for which the tax authorities hold information that may present a tax risk from a VAT reimbursement stand point;
 - ❖ presentation of situations which may lead to the inclusion of taxpayers within this special database;
 - ❖ changing the conditions regarding the inclusion of medium taxpayers within the category of taxpayers with a high tax risk from a VAT reimbursement stand point;
- ❖ The deadline for issuance of the VAT reimbursement decision has been reduced to one day from the date when the taxpayer is classified as having a low tax risk level (the previous deadline was of five days).
- ❖ The present Procedure is applicable starting with the VAT returns with negative amounts with reimbursement option submitted after 1 May 2017.

Approval of a new Procedure for administration and supervision of large taxpayers

NAFA's president Order no. 1.023/2017, published in the Official Gazette no. 277 from 20 April 2017

- ❖ The present Order approves the new procedure for administration and supervision of the large taxpayers and repeals the previous procedure, regulated by NAFA's Order no. 467/2015, published in the Official Gazette no. 134/23.02.2015.

Ammendments to the Procedure for correction of errors included in the annual financial statements

Order of the Ministry of Public Finance no. 543/04.04.2017 published in the Official Gazette no. 243 from 07 April 2017

- ❖ The present Order amends and completes the procedure for correction of errors included in the annual financial statements/annual accounting reports submitted by economic operators and no for profit organizations, as follows:
 - ❖ In the category of errors that may be revised, the order also includes those found in the annual financial statements/accounting reports that do not contain any amounts;
 - ❖ The deadline for submission of the annual financial statements/annual accounting reports corrected as result on certain types of errors expressly regulated is the deadline for submission of the annual financial statements related to the next financial year.

Approval of the model and content of the form „Statement regarding the obligations to the environmental Fund”

Order the Ministry of environment no. 591/07.04.2017, published in the Official Gazette no. 288 of 24 April 2017

- ❖ The present order approves the model and content of the form „Statement regarding the obligations to the environmental Fund”, as well as instructions for the filling in and submission thereof. The order enters into force on 24 April 2017.

For details you can contact any member of TaxHouse team or you can send us a message at the email address office@taxhouse.ro.