

# TAX HOT TOPICS

June 2016

## **Amendments brought to Law no. 227/2015 regarding the Fiscal Code and regulation of certain financial and tax measures**

*Emergency Ordinance no. 32/2016 published in the Official Gazette no. 488 of 30 June 2016*

- ❖ This Ordinance brings, among others, the following amendments to Law no. 227/2015 regarding the Fiscal Code:
  - ❖ Income tax exemption for the salary/deemed salary income derived starting with August 2016 by individuals that perform activities related to applicative research and development and/or technological development activities, provided certain conditions are fulfilled.
  - ❖ Income tax exemption for the income derived by individuals from the transfer of immovable properties from their personal patrimony by debt swap of the respective immovable properties in order to settle the obligations undertaken by credits – the exemption applies for a single operation of debt swap.
- ❖ Introduction of the reduced VAT rate of 9%, starting with 1 August 2016, for the supply of fertilisers and pesticides used in agriculture, seeds and other agriculture products for seeding or planting, as well as supply of services related to agriculture, as provided by the Common Order of the Public Finance Ministry and the Agriculture and Rural Development Ministry.
- ❖ In addition, this Ordinance brings amendments and completions to Law no. 70/2015 for strengthening financial discipline concerning cash collection and payment operations and for amending and supplementing Government Emergency Ordinance No. 193/2002 on introducing modern payment systems.

## **Submission for ratification of certain Double Taxation Treaties**

*Decree no. 569/2016 published in the Official Gazette no. 416 of 02 June 2016*

- ❖ By this Decree, the Treaty concluded by Romania and Hong Kong Special Administrative Region of the People's Republic of China for the avoidance of double taxation and the prevention of fiscal evasion in respect of income tax, signed at Bucharest on 18 November 2015 is submitted for ratification to the Parliament.



**Approval of the procedure for the reduction of the fixed income annual allowance applicable for agricultural activities**

*Order no. 1.863/2016 published in the Official Gazette no. 474 of 24 June 2016*

- ❖ Based on the Procedure approved by this Order, individuals who perform agricultural activities, either individually or in an association, benefit of the reduction of the fixed income annual allowance,
proportionally with the tax loss registered during the current fiscal year due to unfavorable weather phenomena similar to natural disasters, if certain conditions are met.

**Amendments of the registration procedures of the economic operators who trade certain excisable products, as well as approval of the model and content of certain forms**

*Order no. 1.849/2016 published in the Official Gazette no. 474 of 24 June 2016*

- ❖ The Order approves the registration procedure of the economic operators who perform wholesale or retail trading of energy products – gasoline, diesel,
kerosene, liquefied petroleum gas and bio-fuels. The Procedure is not applicable for prepacked energy products.

*Order no. 1.850/2016 published in the Official Gazette no. 471 of 24 June 2016*

- ❖ The Order approves the registration procedure of distribution and wholesale of alcoholic beverages and/or manufactured
tobacco, as well as the approval of the model and content of certain forms.

*Order no. 904/2016 published in the Official Gazette no. 492 of 30 June 2016*

- ❖ The Order of the Ministry of Public Finance repeals certain Orders with respect to the
administration and paperwork procedures in the tax field.

**Amendments of certain normative acts in terms of environmental policies**

*Emergency Ordinance no. 38/2016 published in the Official Gazette no. 489 of 30 June 2016*

- ❖ This Ordinance brings certain amendments to Law no. 249/2015 regarding the management of packing and packaging generated waste.
manufacturers and retailers to apply warehouse management systems for packaging according to the implementation, control and monitoring procedure of the warehouse management system, which will be approved by Order of
- ❖ One of the main amendments introduced refers to the obligation of the

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the Ministry of Environment, Waters and Forests within 60 days of entry into force

of the present Ordinance.

*Emergency Ordinance no. 39/2016 published in the Official Gazette no. 489 of 30 June 2016*

- ❖ The Ordinance brings amendments and completions to the Emergency Ordinance no. 196/2005 regarding the Environmental Fund.
- ❖ One of the main amendments brought refers to the introduction of three new contributions to the Environmental Fund due by the economic operators who

introduce on the national market electric and electronic equipment, portable batteries and accumulators, as well as by those authorised for the takeover of the annual collection obligation of electric and electronic equipment, portable batteries and accumulators waste.

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