

TAX HOT TOPICS

27 July 2020

Law no. 153/2020 for the amendment and completion of Law no. 227/2015 regarding the Fiscal Code, as well as for completing Law no. 170/2016 regarding the tax on specific activities
(Official Gazette no. 659 of July 24, 2020)

- ❖ Starting August 2020, the amounts representing the acquisition cost related to fiscal electronic cash registers ("FECR") are deducted from the corporate income tax/ microenterprises income tax/ tax on specific activities/ personal income tax, as follows:
 - ❖ **Corporate income tax:** the acquisition cost is deducted from the corporate income tax due for the quarter in which FECR were commissioned (in the case of quarterly declaration and payment system) or from the annual corporate income tax (in the case of annual declaration and payment system). The amounts that are not deducted from the corporate income tax due are carried forward in the following 7 consecutive years and are recovered in order of their registration, at each corporate income tax payment deadline. These expenses are non-deductible when computing the corporate income tax.
 - ❖ **Microenterprise income tax:** the acquisition cost related to FECR is deducted from the microenterprise income tax in the quarter in which they were commissioned, within the limit of the microenterprise income tax due for the respective quarter. The amounts that are not deducted from the tax due are carried forward in the following 28 consecutive quarters and are subsequently deducted in order of their registration, at each microenterprises income tax payment deadline.
 - ❖ **Tax on specific activities:** the acquisition cost is deducted from the tax on specific activities in the year in which FECR were commissioned, within the limit of the specific tax due for that year. The amounts that are not deducted from the tax due are carried forward in the following 7 consecutive years.
 - ❖ **Personal income tax:** individuals liable for personal income tax on income from independent activities/ intellectual property rights add to the annual taxable net income the acquisition cost of FECR commissioned in that year and subsequently deduct it from the annual tax due.
- ❖ Specific rules are introduced regarding the tax treatment applicable to the amounts representing the acquisition cost of FECR purchased and commissioned in 2018, in 2019, as well as those commissioned during 1 January 2020 – 26 July 2020.

Emergency Ordinance no. 120/2020 on the establishment of support measures for employees and employers in the context of the epidemiological situation caused by the spread of SARS-CoV-2 coronavirus
(Official Gazette no. 658 of July 24, 2020)

- ❖ Employees of employers whose activity has been suspended as a result of the epidemiological investigation carried out by the public health departments benefit from the indemnity provided by GEO no. 30/2020 (for technical unemployment), corresponding to the number of days in which the activity was suspended.

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The indemnity is granted for the entire period during which the activity is suspended, but no later than 31 December 2020.

Proposal for a Council Implementing Decision amending Implementing Decision 2012/232/EU authorising Romania to apply measures derogating from Article 26(1)(a) and Article 168 of Directive 2006/112/EC on the common system of value added tax

- ✳ It is proposed to amend Implementing Decision 2012/232/EU in order to extend until 31 December 2023 the derogation measure regarding the 50% limitation of the right to deduct VAT on the purchase, Intra-Community acquisition, importation, hire or leasing of motorised road vehicles and on expenditure related to those vehicles, when such vehicles are not used exclusively for business purposes.



For additional details regarding the above, you can contact any member of the Taxhouse team or you can send us an e-mail at office@taxhouse.ro.