

Tax & Legal Weekly Alert

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In this issue:

Amendments to the Tax Code

On May 23th 2019, the Emergency Ordinance supplementing Law 227/2015 on the Tax Code was published. The applicability of the reduced VAT rate of 5% was extended to mountain, bio and traditional food. The amendment enters into force as of June 1st, 2019.

Amendments to fiscal legislation

On May 23th 2019, the Emergency Ordinance regarding certain modifications to normative acts with reference to the health insurance contribution, due for the period 2014-2017, was published.



Amendments to the Tax Code

On May 23rd, 2019, Emergency Ordinance no. 31/2019 on the completion of Law 227/2015 on the Fiscal Code was published in the Official Gazette no. 403.

This ordinance extends the applicability of the reduced VAT rate of 5% for the supply of high-quality food.

This category includes mountain, bio and traditional products.

In order to apply the reduced VAT rate of 5%, the products must be authorized by the Ministry of Agriculture and Rural Development.

Practical aspects to be considered by companies:

- The invoice must be accompanied by a copy of the certification document issued by the Ministry of Agriculture and Rural Development, except for deliveries to final consumers;
- Changing the accounting systems (for example: tax codes);
- Updating the electronic cash registers.

The change will enter into force on June 1st, 2019.

For further questions regarding the aspects mentioned in this alert, please contact us.



Vlad Boeriu
Partner – Indirect Tax
+40730077918
vboeriu@deloittece.com



Loredana Ilea
Manager – Indirect Tax
+40725004074
eilea@deloittece.com

Amendments to the fiscal legislation

On May 23th 2019, the Emergency Ordinance no. 31/2019 was published.

This Ordinance extends the payment deadlines for the mandatory health insurance contribution due by individuals and established through tax decisions for the period 2014 – 2017. The payment deadlines are:

- For the tax decisions issued between March 15th 2019, inclusive, and the date of entry into force of the presence Ordinance, inclusive, the payment deadline is 120 days from the date of entry into force of the Ordinance;
- For the tax decisions issued after the day of entry into force of the Ordinance, the payment deadline is 120 days from the date of issue of the tax decision.

For payment in advance, an incentive of 10% is granted, if the payment is performed within 60 days from entry into force of the Ordinance, respectively the communication of the tax decision.

The tax decisions for the health insurance contribution issued for certain types of taxpayers during July 1st, 2017 until December 31st, 2017 will be canceled.

The procedure for applying the cancellation of the health insurance contribution will be approve through Order of the Minister of Public Finance within 30 days from the date of entry into force of the Ordinance.

[For further questions regarding the aspects mentioned in this alert, please contact us.](#)



Raluca Bontaș
Partner – Global Employer Services
+40730077921
rbontas@deloittece.com



Adrian Stoian
Senior Manager – Global Employer Services
+40730585856
fstoian@deloittece.com



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