

## Tax & Legal Weekly Alert

October 10, 2019

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#### **Amendments brought to form 112**

On October 1, 2019, the new model, contents, method of submission and management of the "Declaration regarding the payment liabilities of social security contributions, income tax and the record of insured people" was published in the Official Gazette no. 794/01.10.2019 ("**Form 112**").

#### **The procedure for establishing ex officio the social security contributions due by individuals who derive income from sources other than the salary income**

On October 2, 2019, the Order of the President of the National Agency for Fiscal Administration was published in the Official Gazette no. 800/02.10.2019, for the approval of the procedure regarding the ex officio establishment of the social security contributions due by individuals, as well as the model and contents of certain forms.



## Amendments brought to form 112

The model, contents and method of submission and management of the form 112 were approved by Order 3.063/1.376/1.430 (“**the Order**”). The form can be retroactively submitted for the months of July and August 2019, within 60 days starting from the moment when form 112 is made available on the National Agency for Fiscal Administration’s website.

The Order is directed towards:

- 1) Employers in the construction field who fulfil the requirements that allow them to benefit from the fiscal incentives brought by the Emergency Order 43/2019 on July 22, 2019.
- 2) Employees assigned to/from Romania.

Amongst other things, the amendments include:

- An updated list of CAEN codes for the employers who can apply for the fiscal incentives awarded to the construction field, as per the requirements of OUG 43/2019 starting with the month of July 2019;
- The possibility to pro-rate the fiscal incentives for the month of July 2019 for the above-mentioned employers (i.e. the incentives apply to the salary income which was obtained strictly during the period from July 22 to July 31, 2019);
- An update to the section regarding the turnover realized by all employers who apply the incentives in the field of constructions;
- A new section was added, which includes information regarding the employees assigned to/from Romania. In this section there are to be reported: the period of the assignment, the payer of the salary income, the status of coverage in public insurance systems.

## The procedure for establishing ex officio the social security contributions due by individuals who derive income from sources other than the salary income

Once identified by the tax authorities, the taxpayers who have not fulfilled their fiscal duties within the legal deadline for the year 2018 will be notified in writing by the appropriate authorities in order to fulfil their payment duties. Should the outstanding payments not be settled accordingly, a Decision regarding the ex officio settling of pending payments of pension insurance contribution and health insurance contribution will be issued for the individuals in question.

This procedure applies to all individuals who cumulatively fulfil the following conditions:

- Have obtained other types of income apart from salary income for which pension insurance contribution and/or health insurance contribution are due;
- Have estimated for 2019 a net income below the threshold provided by the law (i.e. 24,960 lei), yet the real income derived is exceeding it;
- Have not fulfilled their reporting obligations for pension and/or health insurance contribution for the tax year in question.

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



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