

# Tax & Legal Weekly Alert

04 - 08 September 2017

## In this issue:

### **The Fiscal Code: The latest amendments brought by Ordinance no. 25/2017**

Multiple amendments to the Fiscal Code have been recently approved by Ordinance no. 25/2017. The new amendments with significant impact refer to:

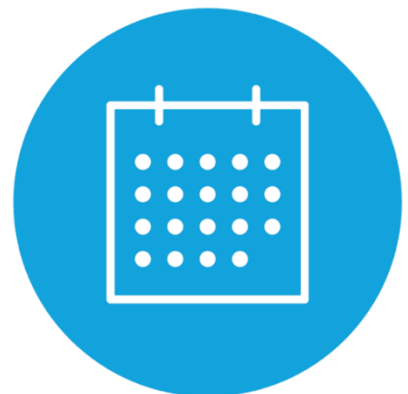
- The expenses with the value of transferred receivables are deductible within a threshold of 30% of the value of the transferred receivable
- The subscriptions for medical services covered by the employers for their employees are considered exempted from social security charges within the limit of EUR 400 per year per employee
- The excise duties related to gasoline and diesel fuel will be increased

### **Deloitte Events: Interactive seminar - The VAT split payment**

The VAT split payment mechanism will be mandatory from 1 January 2018, and optional from 1 October 2017, according to Ordinance no. 23/2017.

The VAT split payment mechanism was approved without any substantial amendments compared to the updated Project of the Government's Ordinance, published on 18 August 2017 (presented in our tax alert of 21 August).

Deloitte organizes on Thursday, 7 September 2017, an interactive seminar in order to debate the practical aspects of the application of VAT split payment mechanism. For more details and registration, please access this link: [VAT split payment](#)



## The Fiscal Code: The latest amendments brought by Ordinance no. 25/2017

### Corporate income tax

- A significant amendment is brought regarding the deductibility of expenses with the value of transferred receivables which are deductible within a threshold of 30% of the value of the transferred receivable.

### Tax on representative offices of foreign companies in Romania

- The tax for representative offices is established at RON 18,000 and has to be paid in only one tranche by the last day of February inclusively of the tax year.
- When established during the tax year, the representative office has the obligation to compute and pay the tax, within 30 days as of the establishment date. The tax is computed for the period starting with the 1st of the month when the representative office was established until the tax year-end.
- When closed during the tax year, the representative office has the obligation to re-compute the tax due for the period of activity from the beginning of the tax year until the 1st of the month following the closing month. The related return is submitted within 30 days as of the closing date.

### Social security contributions

- An amendment was introduced concerning the subscriptions for medical services covered by the employers for their employees. These are considered exempted from social security charges within the limit of EUR 400 per year per employee. Previously they were only exempt from income tax starting with 24.07.2017.

### Excise duties

Excise duties related to energy products - gasoline and diesel fuel - will gradually increase starting with September 15, 2017 and with October 1, 2017, as follows:

Energy Product	Excise duties level					
	Until September 15, 2017		Between September 15 - October 1, 2017		Starting with October 1, 2017	
	RON/ton	RON/1000 l	RON/ton	RON/1000 l	RON/ton	RON/1000 l
Leaded gasoline	2530,17	1948,23	2737,96	2108,23	2945,75	2268,23
Unleaded gasoline	2151,13	1656,36	2358,92	1816,36	2566,71	1976,36
Diesel	1796,53	1518,04	1985,89	1678,04	2175,24	1838,04

For further questions, please contact us.



**Raluca Bontaș**  
Partner  
+40 21 207 53 50  
[rbontas@deloittece.com](mailto:rbontas@deloittece.com)



**Daniel Petre**  
Director  
+40 21 207 54 44  
[dpetre@deloittece.com](mailto:dpetre@deloittece.com)



**Maria Florea**  
Manager  
+40 733 003 855  
[maflorea@deloittece.com](mailto:maflorea@deloittece.com)



# Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/ro/about](http://www.deloitte.com/ro/about) to learn more about our global network of member firms.

Deloitte provides audit, consulting, legal, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 244,000 professionals make an impact that matters, please connect with us on [Facebook](#) or [LinkedIn](#).

Reff & Associates SCA is a law firm member of Bucharest Bar, independent in accordance with the Bar rules and represents Deloitte Legal in Romania. Deloitte Legal means the legal practices of Deloitte Touche Tohmatsu Limited member firms or their affiliates that provide legal services. Visit the global Deloitte Legal website <http://www.deloitte.com/deloittelegal> to see which services Deloitte Legal offers in a particular country.

This alert is offered as guidance and must not be considered a consultancy service. Before taking any action based on this document, you should ask for professional fiscal/legal advisory.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional advisor. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.