

Tax & Legal Weekly Alert

05 – 09 June 2017

In this issue:

Romania becomes associate member of Plan BEPS – Base Erosion and Profit Shifting

Romania becomes associate member of Plan BEPS – Base Erosion and Profit Shifting on the 9th of June when Law no 124/2017 comes into force. The main objective of BEPS is to prevent the use by companies of legislative mismatches from national tax systems in order to transfer profits to lower tax jurisdictions.

Conventions for avoidance of double taxation concluded by Romania will be amended

Romania and other 67 countries signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (MLI) on the 7th of June. Romania has 91 conventions for avoidance of double taxation.

Upcoming Deloitte events

VAT in Practice – Deloitte seminar, 14 – 15 June

More details and registration here

<https://www2.deloitte.com/ro/ro/pages/tax/events/TVA-in-practica-Cluj.html>

Redefining your NPL strategy, from underwriting to NPL transactions – Deloitte seminar, 21 June 2017

Deloitte Tax & Legal in mass media

Transfer pricing: The profile of the taxpayer aimed by the fiscal controls

Romania becomes associate member of Plan BEPS – Base Erosion and Profit Shifting

Romania becomes associate member of Plan BEPS – Base Erosion and Profit Shifting on the 9th of June when Law no 124/2017 comes into force.

The main objective of BEPS is to prevent the use by companies of legislative mismatches from national tax systems in order to transfer profits to lower tax jurisdictions. Consequently Romania is expected to implement legislative changes on medium term, according to the recommendations of BEPS in the following areas: transfer pricing, double taxation conventions, exchange of information between fiscal authorities.

The new rules implemented according to BEPS might lead to the restructuring of the activities of multinational companies around the world, including Romania. The aim of BEPS measures is to ensure that MNEs report profits where economic activities are carried out and value is created.

Conventions for avoidance of double taxation concluded by Romania will be amended

Romania and other 67 countries signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (MLI) on the 7th of June.

These states will swiftly implement a series of tax treaty measures to update the existing network of bilateral tax treaties and reduce opportunities for tax avoidance by multinational enterprises. The new convention will also strengthen provisions to resolve treaty disputes, thereby reducing double taxation and increasing tax certainty, according to OECD which initiated plan BEPS – Base Erosion and Profit Shifting.

MLI was developed through inclusive negotiations involving more than 100 countries and jurisdictions, under a mandate delivered by G20 Finance Ministers and Central Bank Governors. As a result of implementing MLI, 1,100 treaties around the world will be changed.

Romania has 91 conventions for avoidance of double taxation.

For further questions, please contact us.



Dan Badin
Partner in Charge, Tax & Legal
+40 21 207 5392
dbadin@deloitte.com

Upcoming Deloitte events

VAT in Practice – Deloitte seminar

The seminar **VAT in practice**, organized on June 14&15, at Golden Tulip Hotel, will refer mainly to the practical aspects of VAT system, the approach of the fiscal authorities and tax inspections.

For details, please click the link below.

<https://www2.deloitte.com/ro/ro/pages/tax/events/TVA-in-practica-Cluj.html>

Redefining your NPL strategy, from underwriting to NPL transactions – Deloitte seminar

The event, which will be held in English, will take place on 21 June, at Deloitte's premises.

Deloitte Tax & Legal in mass-media

Transfer pricing: The profile of the taxpayer aimed by the fiscal controls, an article by Bogdan Barbu, senior manager Deloitte Romania

http://www.hotnews.ro/stiri-specialisti_deloitte-21790845-preturi-transfer-incadrati-profilul-risc-contribuabilului-vizat-controlul-anaf.htm



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 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.

© 2017. For information, contact Deloitte Romania