

2021

Allowances granted in the pandemic context and other labour and social security related news



NOA Tax Advisors

NOA Group

10/11/2021



News on the protection measures for the limitation of economic activity, granting days off for childcare, increasing the value of the minimum wage, meal and childcare vouchers and other labour related news

Amendments presented in brief:

On October 4th, 2021, Emergency Ordinance no. 110 dated October 2nd, 2021 on granting paid days off to parents and other categories of persons in the context of the spread of the SARS-CoV-2 coronavirus was published in the Official Gazette no. 945.

Also, Emergency Ordinance no. 111 dated October 2nd, 2021, for the establishment of social protection measures for employees and other professional categories in the context of prohibition, suspension or limitation of economic activities, determined by the epidemiological situation generated by the spread of SARS-CoV-2 coronavirus, aimed at compensating employees affected by the ban, suspension or limitation of economic activities was published in the Official Gazette no. 945.

On October 5th, 2021, the Decision no. 1071 of October 4th, 2021 for establishing the gross national minimum wage guaranteed in payment which brings changes regarding the level of the gross national minimum wage, was published in the Official Gazette no. 950.

At the same time, Emergency Ordinance no. 117 dated October 4th, 2021 for the amendment and completion of Law no. 53/2003 - Labour Code which brings new provisions to the labour legislation was published in the Official Gazette no. 951.

Also, on October 6th, 2021, Order no. 901 dated October 4th, 2021 on establishing the value of the indexed monthly amount that is granted in the form of childcare vouchers for the second semester of 2021, respectively Order no. 902 of October 4th, 2021 for establishing the





indexed nominal value of a meal voucher for the second semester of 2021 which provide clarifications regarding the values of childcare vouchers, respectively meal vouchers, were published in the Official Gazette no. 956.

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Amendments explained in more detail:

<p>Key words:</p> <ul style="list-style-type: none"> • Granting days off to supervise children • Deadline • Granting conditions • Calculation of the number of days off granted 	<p>Granting days off to employees to supervise children because of the suspension of teaching activities</p> <ul style="list-style-type: none"> ❖ The measure by which paid days off are granted to one of the parents for the supervision of children up to and including 12 years of age, as well as to parents who have dependent children or adults with disabilities enrolled in a form of education, respectively in a pre-university education unit, including early pre-school education, was reinstated. ❖ The days off will be granted during the state of alert and after its termination, but no later than the end of the school year 2021 - 2022, <u>in case of limitation or suspension of teaching activities that involve the physical presence of children in schools and in early pre-school education units.</u> ❖ The measure is applied if the place of work of the employee does not allow working from home or teleworking and the other parent does not benefit, in turn, from days off. ❖ Paid days off are granted at the request of the parent, submitted to the employer, together with an affidavit of the other parent and the other mandatory documents. ❖ The number of days off granted to employees is established depending on the period provided:
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<ul style="list-style-type: none">• Level of allowance• Tax obligations• Settlement of amounts for the payment of the allowance• Sanctions for non-compliance with the granting of days off	<ul style="list-style-type: none">✓ either by the decision of the county committee for emergency situations / of the Bucharest Municipality Committee for Emergency Situations;✓ or by decision of the management of the educational unit / institution.❖ The allowance for each day off is paid from the income and expenditure budget of the employer, in the amount of 75% of the basic salary corresponding to a working day, but no more than the daily correspondent of 75% of the gross average wage used to substantiate the state social insurance budget, to be settled from the Guarantee Fund for the payment of salary claims.❖ The allowance is subject to taxation and to the payment of social insurance contributions, social health insurance, as well as the work insurance contribution.❖ For the settlement of the amounts, the employer must submit a request to the county employment agencies, respectively of the municipality of Bucharest where the employer or branch / working point carries out its activity, as the case may be, accompanied by the supporting documents.❖ The application and the supporting documents shall be sent within 30 days from the date of payment of the contributions and taxes related to the allowance, and the settlement is made within 30 working days from the date of registration of the supporting documents.❖ The employer is obliged to grant days off at the request of the employee, his refusal to grant the days off constitutes a contravention and is sanctioned with a fine between 1,000 and 2,000 lei for each person, up to a cumulative value of 20,000 lei.
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<p>Key words:</p> <ul style="list-style-type: none">• The allowance granted• Maximum level of allowance	<p>Protective measures in case of suspension or interruption of the employer's economic activity, determined by the epidemiological situation</p> <ul style="list-style-type: none">❖ It is reintroduced until December 31st, 2021, the measure of granting an allowance for the period of suspension of the employment contract, at the initiative of the employer, temporary interruption of activity, in whole or in part, because of the coronavirus effects.❖ The allowances that the employees benefit from are set at 75% of the basic salary corresponding to the job occupied and are
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<ul style="list-style-type: none">• How to calculate the allowance• Documents for granting the allowance• Other categories of taxpayers who can benefit from the allowance	<p>supported from the unemployment insurance fund, but no more than 75% of the gross average wage.</p> <ul style="list-style-type: none">❖ The allowance is calculated for the number of days in which the activity was suspended, but no later than December 31st, 2021 and is subject to taxation and payment of social security contributions, except for the work insurance contribution.❖ The allowance can be supplemented by the employer if his budget allows it.❖ To grant the amounts necessary for the payment of the allowance, the employers must submit to the county employment agencies, as well as to the municipality of Bucharest where they have their head office an application signed and dated by the legal representative, accompanied by an affidavit and the list of persons to benefit from this allowance.❖ From a similar allowance may benefit, upon request, <u>professionals, natural persons who obtain income exclusively from copyright and related rights, persons who have concluded individual employment conventions.</u> For this allowance, the income tax, the social insurance contribution and the social health insurance contribution are due, with the exception of the work insurance contribution.
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<p>Key words:</p> <ul style="list-style-type: none">• Change in the minimum wage level• Under-declared work• Compensation for extra hours of work• Exceeding working time	<h3>News on the minimum wage and new amendments to the Labour Code</h3> <ul style="list-style-type: none">❖ Starting with January 1st, 2022, the level of the gross national minimum wage increases from 2,300 lei to 2,550 lei.❖ The <u>under-declared work</u> is defined, which consists in granting a net wage higher than the one established and highlighted in the payroll statements and in the monthly declaration on the payment obligations of social contributions, income tax and nominal records of insured persons.❖ The deadline for compensating the extra hours of work through paid hours off is modified from 60 days to 90 days following their performance.❖ Contraventions are amended or new ones are introduced, as follows:<ul style="list-style-type: none">✓ receiving one or more employees at work in excess of the working time established within the individual part-time employment contracts is sanctioned with a fine from 10,000
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<ul style="list-style-type: none">• Granting a net wage higher than that highlighted in the payroll• Failure to comply with the obligation to pay the salary on time	<p>lei to 15,000 lei for each person, <u>without exceeding the cumulative value of 200,000 lei.</u></p> <ul style="list-style-type: none">✓ granting a net wage higher than the one highlighted in the payroll statements and in the monthly declaration on the obligations to pay social contributions, income tax and nominal records of insured persons, is sanctioned with a fine from 8,000 lei to 10,000 lei for each identified employee, <u>without exceeding the cumulative value of 100,000 lei.</u>✓ the breach by the employer of the obligation to pay the salary in cash at least once a month, by more than one month from the payment date established in the employment contract, in the applicable collective labour agreement or in the internal regulations, is sanctioned with a fine from 5,000 lei to 10,000 lei for each person whose salary was not paid.
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<p>Key words:</p> <ul style="list-style-type: none">• Monthly childcare vouchers value• Face value of meal vouchers	<h3>Changes to the value of childcare tickets and meal vouchers</h3> <ul style="list-style-type: none">❖ The value of the monthly amount granted in the form of childcare vouchers is increased from 480 lei to 490 lei for the second semester of 2021, starting with October 2021.❖ The maximum nominal value of a meal voucher is modified from 20.01 lei to 20.09 lei for the second semester of 2021, starting with October 2021.❖ It is specified that the two provisions also apply for the first two months of the first semester of 2022, respectively February 2022 and March 2022.
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How we may help you:

NOA Tax Advisors team supports companies by providing advice and guidance in various cases on the new legislative changes as mentioned above, as well as in all situations encountered from a tax point of view.

NOA Tax Advisors team is at your disposal for more details regarding those presented in this summary of legislative news.

Best regards,

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