

# Fiscal news of May



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## Fiscal news of may

### Amendments in brief:

**New tax obligations to be paid into the single account** - On May 9, 2024, Order No. 874/2024 by the President of the National Agency for Fiscal Administration was published in the Official Gazette No. 422. This order amends and supplements the annex to the President's Order No. 1.612/2018, which approves the List of Tax Obligations to be Paid into the Single Account.

**Changes to accounting regulations for insurance entities** - On May 7, 2024, in the Official Gazette No. 412, Norm No. 8/2024 was published. This norm amends and supplements Norm No. 41/2015 of the Financial Supervisory Authority, which approves the accounting regulations for individual and consolidated annual financial statements of entities engaged in insurance and/or reinsurance activities.

**Changes to accounting regulations for insurance brokerage companies** - On May 15, 2024, in the Official Gazette No. 447, Norm No. 7/2024 was published. This norm amends and supplements Norm No. 36/2015 of the Financial Supervisory Authority, which relates to the accounting regulations for individual and consolidated annual financial statements applicable to brokerage companies engaged in insurance and/or reinsurance distribution activities.

**New criminalized acts of tax evasion** - On May 13, 2024, Law No. 126/2024 was published in the Official Gazette No. 437. This law introduces measures to strengthen the capacity to combat tax evasion and amends and supplements certain normative acts.

**Changes in waste management of electrical and electronic equipment** - On May 14, 2024, Law No. 127/2024 was published in the Official Gazette No. 441. This law approves Government Emergency Ordinance No. 5/2015 regarding waste from electrical and electronic equipment.

**Safer and faster procedures for eliminating double taxation (FASTER Directive)** - A communiqué from the European Council regarding the agreement of member states on implementing safer and faster procedures for eliminating double taxation was published on May 14, 2024, on the institution's portal.

**EU fails to reach agreement on VIDA Proposal (VAT in the digital age)** - A communiqué from the European Council about the outcome of the May 14, 2024, meeting of EU Finance Ministers regarding the VIDA initiative - the VAT in the Digital Age package - was published on the institution's portal.

**NCTS5-RO System becomes operational** - A communiqué from the Romanian Customs Authority announced that the NCTS5-RO system became operational starting May 17, 2024. This announcement was published on the institution's portal.

**Clarifications from CNAS on CASS exemption for health insurance benefits** - On May 27, 2024, the National Health Insurance House (CNAS) provided a response to CCF request No. 2226/24.04.2024. This response clarified the application of the CASS exemption for medical leave certificates issued between January and April 2024.

**Clarifications from the Ministry of Finance on the 33% cap for extra-salary benefits** - On May 27, 2024, the Ministry of Finance responded to CCF request No. 331/17.01.2024. This response addressed proposed amendments concerning the application of the 33% cap on extra-salary benefits.

**Clarifications from the Ministry of Finance on taxation of contribution and merger/demerger premium distributions** - On May 28, 2024, the Ministry of Finance responded to CCF request No. 2853/19.06.2023. This response provided clarification on the fiscal treatment of distributions of contribution premiums and merger/demerger premiums.

**Proposal to amend the accounting method for minimum turnover tax** - On May 29, 2024, the Ministry of Finance responded to CCF request No. 2378/07.05.2024. This response addressed a proposal to amend and supplement the accounting method used by economic operators for the minimum turnover tax regulated by Article 181 of the Fiscal Code.

**Clarifications from the Ministry of Finance on the new taxation mechanism for rental income** - On May 29, 2024, the Ministry of Finance responded to CCF request No. 1110/22.02.2024. This response provided clarification on the new taxation mechanism for rental income paid by legal entities or other entities required to maintain accounting records, following amendments to the Fiscal Code by Emergency Ordinance No. 115/2023.

**Other news of interest:**

**Update to Form 300** - On May 15, 2024, Order No. 888/2024 by the President of the National Agency for Fiscal Administration (ANAF) was published in the Official Gazette No. 448. This order amends Order No. 1.253/2021 of the ANAF President, approving the model and content of Form 300, "Value Added Tax Return".

**Updated FAQs on CRS (Common Reporting Standard)** - ANAF released a communiqué regarding the updated version of the document "Frequently Asked Questions - CRS," provided by the Organisation for Economic Co-operation and Development (OECD). This update is available on the institution's portal.

**Record of additional tax obligations from digitalization** - On May 16, 2024, Order No. 912/2024 by the President of the National Agency for Fiscal Administration was published in the Official Gazette No. 452. This order approves the Procedure for Recording Debt Titles and Digitalization Revenues Collected in the Operational Records.

## Content

New tax obligations to be paid into the single account (Order no. 874/2024) .....	4
Amendment of accounting regulations applicable to entities in the insurance sector, including mutual funds (Norm No. 8/2024) .....	4
Amendment of accounting regulations applicable to insurance brokerage companies (Norm No. 7/2024) .....	5
New tax evasion offenses criminalized (Law 126/2024) .....	6
Changes in the field of waste electrical and electronic equipment (Law 127/2024) .....	7
Safer and faster double taxation relief procedures (FASTER Directive) (European Council Press Release) .....	9
The EU did not reach an agreement on the ViDA proposal (VAT in the digital era) (European Council Press Release) .....	10
The NCTS5-RO system became operational on May 17, 2024 (AVR Announcement) .....	10
Clarifications from the National Health Insurance House (CNAS) regarding the exemption from health insurance contributions (CASS) for social insurance benefits (CCF Letter 2226/2024) ..	10
Clarifications from the ministry of finance regarding the inclusion in the 33% ceiling applicable to non-salary benefits (CCF Address 331/2024) .....	11
Addressing ministerial clarifications on the taxation of contribution and merger/division premiums (CCF Letter 2853/2023) .....	11
Proposal to modify the accounting method for the minimum tax on turnover (CCF Address 2378/2024) .....	12
Clarifications from the ministry of finance regarding the new mechanism for taxation of rental income (CCF Address 1110/2024) .....	12
Other news of interest.....	12
Update of Form 300 (Order 888/2024).....	12
Updated frequently asked questions about CRS (Common Reporting Standard) (ANAF Press Release) .....	12
Recording of additional tax obligations from digitalization .....	13

## Amendments in detail:

### Key words:

- Single account
- Turnover tax
- Rental income
- IT

### New tax obligations to be paid into the single account (Order no. 874/2024)

- ❖ A series of taxes and contributions that are no longer in force are eliminated (e.g., the specific tax for certain activities, tax obligations due in the case of association with a legal entity that applies the specific tax for certain activities).
- ❖ The Nomenclature of tax obligations that are paid into the single account is completed with the following tax obligations:
  - Turnover tax owed by credit institutions and the one owed by legal entities conducting activities in the oil and natural gas sectors;
  - Tax on rental income, withheld at source by legal entities or other entities that are obliged to maintain accounting records;
  - Tax and social security contribution owed by individuals from conducting domestic activities;
  - Social security contribution owed by individuals who qualify for the exemption for software creation activities, activities in the construction sector, or in the agricultural sector and the food industry.

### Key-words:

- Accounting regulations
- Insurance and reinsurance
- Mutual funds
- Principle of prudence
- Revaluation method

### Amendment of accounting regulations applicable to entities in the insurance sector, including mutual funds (Norm No. 8/2024)

- ❖ Changes are made to the accounting regulations applicable to entities engaged in insurance and/or reinsurance activities.
- ❖ The accounting regulations provided by Norm No. 41/2015 also apply to mutual insurance and/or reinsurance companies authorized to operate under Law No. 71/2019 regarding mutual insurance companies and for the amendment and completion of certain normative acts.
- ❖ Public interest entities in liquidation must prepare simplified annual financial statements.
- ❖ The principle of prudence regarding the recording of adjustments for impairment of receivables and the recording of provisions also applies to the preparation of interim financial statements and accounting reports.
- ❖ The initial application of the revaluation policy for tangible assets/investments should be treated as a revaluation.
- ❖ New regulations are introduced for situations where entities decide to switch from the revaluation method to the cost method for tangible assets.
- ❖ Situations where an asset becomes unproductive, restructuring or discontinuation plans for the activity to which the asset is dedicated, and

<ul style="list-style-type: none"> <li>• Significant changes</li> </ul>	<p>planning to dispose of the asset before the previously estimated date are examples of significant changes with negative effects on the entity.</p>
<ul style="list-style-type: none"> <li>• Profit/surplus</li> </ul>	<ul style="list-style-type: none"> <li>❖ The balance sheet, the profit and loss account, the cash flow statement, the statement of changes in equity, the explanatory notes to the annual financial statements, and the administrators' report are modified to be applicable to mutual funds.</li> </ul>
<ul style="list-style-type: none"> <li>• Loss/deficit</li> </ul>	<ul style="list-style-type: none"> <li>❖ The balance sheet and the profit and loss account will include a subsection for "Specific Funds of Mutual Societies".Pragul de 3.700.000.000 lei referitor la obligația de a publica raportul privind informațiile referitoare la impozitul pe profit se raportează la nivelul veniturilor, nu la cifra de afaceri.</li> </ul>
<ul style="list-style-type: none"> <li>• 3,700,000,000 lei</li> </ul>	<ul style="list-style-type: none"> <li>❖ Additionally, it is provided that in the case of a group whose ultimate parent company is located in a third country, the obligation to publish the report on profit tax information can be fulfilled by any affiliated entity within the group, included in the scope of these regulations.</li> </ul>
<ul style="list-style-type: none"> <li>• Income</li> </ul>	<ul style="list-style-type: none"> <li>❖ To avoid reporting the accumulated earnings multiple times, the accumulated earnings of an entity that has opened a branch must be attributed to the tax jurisdiction where that entity is headquartered.</li> </ul>
<ul style="list-style-type: none"> <li>• Third country</li> </ul>	<ul style="list-style-type: none"> <li>❖ Furthermore, other new rules are introduced regarding the publication of the report on profit tax information.</li> </ul>
<ul style="list-style-type: none"> <li>• Branch</li> </ul>	<ul style="list-style-type: none"> <li>❖ The first reporting year corresponds to the financial year of 2023, with the report on profit tax information being published no later than December 31, 2024.</li> </ul>
<ul style="list-style-type: none"> <li>• Corporate income tax</li> </ul>	<ul style="list-style-type: none"> <li>❖ To determine whether the parent company or the individual company has a reporting obligation in the first year of application of the provisions, it is determined whether the consolidated revenues exceed the amount of 3,700,000,000 lei in both the financial year of 2022 and the financial year of 2023.</li> </ul>
<ul style="list-style-type: none"> <li>• First reporting year</li> </ul>	

<p><b>Key words:</b></p> <ul style="list-style-type: none"> <li>• Accounting regulations</li> <li>• Brokerage</li> <li>• Insurance and reinsurance</li> <li>• Prudence principle</li> </ul>	<p><b>Amendment of accounting regulations applicable to insurance brokerage companies (Norm No. 7/2024)</b></p> <ul style="list-style-type: none"> <li>❖ Changes are made to the accounting regulations applicable to brokerage companies engaged in the distribution of insurance and/or reinsurance.</li> <li>❖ The principle of prudence regarding the recording of adjustments for the impairment of receivables and the recording of provisions also applies to the preparation of interim financial statements and accounting reports prepared in accordance with the law.</li> <li>❖ New regulations are introduced for situations where entities decide that, regarding tangible assets, they will switch from the revaluation method to the cost method.</li> <li>❖ Changes are made regarding the recognition method of trade discounts granted by suppliers for situations where they cover the entire cost of</li> </ul>
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<ul style="list-style-type: none"> <li>• Revaluation method</li> </ul>	<p>purchased goods or are received after the billing of certain tangible and intangible assets.</p>
<ul style="list-style-type: none"> <li>• Commercial discounts</li> </ul>	<ul style="list-style-type: none"> <li>❖ Additionally, modifications are made to the information that must be presented in the explanatory notes regarding the revaluations performed.</li> </ul>
<ul style="list-style-type: none"> <li>• Government bonds</li> </ul>	<ul style="list-style-type: none"> <li>❖ A new section is introduced regarding the evaluation of government securities recognized as financial assets.</li> <li>❖ The situation in which there are changes in the duration of economic use or when the asset is not used is regulated.</li> </ul>
<ul style="list-style-type: none"> <li>• Real estate investments</li> </ul>	<ul style="list-style-type: none"> <li>❖ If a real estate investment is transferred with or without additional improvements, the entity will continue to treat the property as a real estate investment.</li> </ul>
<ul style="list-style-type: none"> <li>• Equity investments</li> </ul>	<ul style="list-style-type: none"> <li>❖ The regulation regarding the preservation of fixed assets also applies to real estate investments for which tenants have not yet been found.</li> <li>❖ New provisions are introduced regarding the recognition of shares received by the entity as a result of incorporating reserves or share premiums into the share capital of the company in which the shares are held, as well as in cases where reductions in the share capital of the company in which the shares are held occur.</li> </ul>
<ul style="list-style-type: none"> <li>• Advances</li> </ul>	<ul style="list-style-type: none"> <li>❖ Additionally, new regulations are introduced concerning the payment of advances before the company transfers a good or service, the granting of equity instruments to employees, the retention of reserves established for tax purposes in case of reorganizations, and the regularization of interim dividends received.</li> </ul>
<ul style="list-style-type: none"> <li>• Corporate income tax</li> </ul>	<ul style="list-style-type: none"> <li>❖ Changes are made regarding the report on profit tax information.</li> </ul>
<ul style="list-style-type: none"> <li>• New accounts</li> </ul>	<ul style="list-style-type: none"> <li>❖ New accounts are introduced (467 - "Liabilities related to interim dividend distributions (P)", 694/794 - "Expenses/Income with/from profit tax resulting from settlements within the profit tax fiscal group", 7865 - "Financial income from the amortization of differences related to government securities") and existing ones are modified (605 - "Utilities expenses", 786 - "Financial income from amortizations and adjustments for impairment").</li> </ul>
<ul style="list-style-type: none"> <li>• Impairment losses</li> </ul>	

<p><b>Key words:</b></p> <ul style="list-style-type: none"> <li>• Non-retention of taxes</li> <li>• Tax evasion</li> <li>• Electronic invoice</li> </ul>	<p><b>New tax evasion offenses criminalized (Law 126/2024)</b></p> <ul style="list-style-type: none"> <li>❖ <b>Failure to withhold</b> taxes and/or contributions subject to withholding is <b>added to the list of offenses criminalized</b> by the Tax Evasion Law and is punishable by imprisonment from one to five years. Previously, only failure to withhold and pay, as well as collection and non-payment, were criminalized.</li> <li>❖ The period of imprisonment for tax evasion offenses is increased from <b>3 to 10 years</b> (compared to the previous 2 - 7 years).</li> <li>❖ Highlighting in the <b>electronic invoice</b> expenses that are not based on real operations or highlighting other fictitious operations, as well as the</li> </ul>
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- Fictitious transactions
- Electronic fiscal cash registers
- Data storage
- Thresholds
- Fraudulent schemes
- VAT
- Lending
- Fine
- Increased damages
- Reduction of limits
- Self-denunciation

**malicious use** of the national **electronic invoicing system RO e-Factura**, to create the appearance of legality of fictitious operations or concealment of the real transactional circuit of goods/services, constitutes tax evasion offense.

- ❖ Also, tax evasion offense includes **the use of electronic fiscal cash registers that are not connected or the alteration of electronic fiscal cash registers** to not transmit tax data or transmit unreal tax data.
- ❖ Tax evasion offense also includes the **destruction or hiding of data storage devices, including electronic ones**.
- ❖ The thresholds triggering the minimum and maximum limits of punishment are raised, regarding the damage caused (from 500,000 euros, respectively 1,000,000 euros).
- ❖ **It becomes an offense** any action committed within **fraudulent schemes** resulting in the reduction by at least 1,000,000 euros, in the national currency equivalent, of the state budget resources, by **not disclosing information regarding VAT**, presenting incorrect or incomplete VAT information, or fraudulently concealing non-payment or the establishment of undue rights to VAT refunds.
- ❖ Direct or indirect **lending operations** by any **individual**, with the purpose of making payments with money amounts originating from commercial transactions and/or representing undeclared income, are criminalized.
- ❖ The threshold of the damage up to which a fine punishment can be applied or the act is not punishable is increased from 100,000 euros to **1,000,000** euros.
- ❖ Additionally, if the damage increased by 15% of its value, plus interest and penalties, is fully covered within the legal term, the act is not punishable, and competent authorities do not refer the case to criminal investigation authorities.
- ❖ The conditions for applying a fine penalty are modified, and the possibility of reducing the statutory punishment limits is introduced.
- ❖ Special limits are reduced if the person in question self-reports within a certain timeframe, as well as if they report other participants in the offense.

#### Key words:

- WEEE
- Minimum collection rate

#### Changes in the field of waste electrical and electronic equipment (Law 127/2024)

- ❖ The conditions under which the activity of **preparation for reuse** of WEEE (previously the activity of WEEE reuse) can be carried out are regulated.
- ❖ EEE producers are obliged to gradually achieve a minimum collection rate each year, for each category of EEE introduced on the market.
- ❖ In order to perform WEEE treatment operations, in addition to the environmental permit, economic operators must meet the specific requirements provided in Romanian standards adopting European standards and original Romanian standards in the field of treatment, including valorization, recycling, and preparation for reuse of WEEE.



• Environmental permit	❖ The environmental permit is issued only to entities that have concluded contracts with EEE producers or their collective organizations and comply with standards.
• Extended responsibility	❖ The conditions that a collective organization implementing the obligations regarding the extended producer responsibility of EEE must meet in order to be authorized, as well as its obligations after authorization, are established.
• Financial contributions	❖ The structure of the financial contributions levied on producers by organizations authorized to implement extended producer responsibility obligations is regulated.
• Minimum objectives	❖ <b>EEE producers</b> are responsible for the EEE placed on the market throughout their existence and must ensure that minimum objectives are met for all separately collected WEEE, <b>regardless</b> of whether they are sent for <b>treatment individually</b> or through <b>collective</b> organizations.
• Guarantee	❖ The amount of the guarantee that each collective organization must provide will be 2 million lei, which must be replenished if insufficient.
• Market share	❖ The method for calculating the market share for collective organizations and producers who have opted to fulfill their obligations individually is clarified, in that reporting is based on the total quantity of EEE intended for private households, introduced on the national market in the previous year.
• Collection costs	❖ The costs of collection, treatment, and environmentally sound disposal, which producers and distributors must inform buyers/potential buyers about, must cover <b>at least the value necessary to achieve the collection and recovery targets</b> for WEEE and cannot be lower than the actual minimum necessary for managing the respective WEEE as waste, nor exceed the actual costs incurred.
• User instructions	❖ All information that producers must provide to users of EEE in private households will be provided in the user instructions, at the point of sale, and/or through awareness campaigns, including the symbol for marking EEE.
• National registry	❖ Producers are obliged to declare, for each category of EEE, the management method for WEEE and cannot transfer responsibilities to multiple collective organizations for the same category of EEE.
• Automated collection equipment	❖ The obligations regarding registration in the national register, declaring the WEEE management method, and the prohibition on transferring responsibilities to multiple collective organizations do not apply to producers of automated collection equipment for equipment that is approved and operated by the deposit-return system.
• Return point	❖ Economic operators who manufacture or import EEE from a third country or from another member state of the European Union must ensure funding for the costs of managing WEEE.
	❖ Obligations are imposed on the operator of the return point managing automated collection equipment within the deposit-return system.
	❖ Starting from October 1, 2024, the authorized representative of the producer established in another member state of the European Union who

- Authorized representative
- Sanctions

sells in Romania or the producer selling EEE to another member state where they are not established is required to provide a guarantee in the amount of 100,000 lei in favor of the AFM and to supplement it if it is insufficient.

- ❖ Sanctions are introduced for non-compliance with obligations regarding the deposit-return system, and modifications are made regarding the achievement of minimum collection rates.
- ❖ Annex no. 2 regarding the categories of EEE is modified.

#### Key words:

- European Council
- FASTER Directive
- Common certificate of tax residency
- Accelerated procedures
- Standardized reporting
- 2028

#### Safer and faster double taxation relief procedures (FASTER Directive) (European Council Press Release)

- ❖ The European Council has reached an agreement (general approach) on safer and faster procedures for **obtaining relief from double taxation**, which will contribute to boosting cross-border investments and combating tax abuse.
- ❖ The so-called FASTER initiative aims to make withholding tax procedures in the EU safer and more efficient for cross-border investors, national tax authorities, and financial intermediaries such as banks or investment platforms.
- ❖ The FASTER initiative involves **3 implementation pillars**:
- ❖ **Common certificate of tax residency** - The directive will introduce a common EU digital certificate of tax residency (eCRF) that taxpayers could use to benefit from accelerated procedures for obtaining relief from withholding tax.
- ❖ **Accelerated procedures for eliminating double taxation** - a "source relief" procedure and a "quick refund" system, which will make the process of reducing double taxation faster and more harmonized across the EU. Member states will be able to choose which one to use.
- ❖ **Standardized reporting obligation** - will provide national tax administrations with the necessary tools to verify eligibility for the reduced rate and to detect potential abuses. The reporting obligation will apply to authorized financial intermediaries who will need to report dividend or interest payments to the relevant tax authority and will be required to register in a national registry of certified financial intermediaries.
- ❖ Member states will need to transpose the directive into national legislation by December 31, 2028, but national rules will need to become applicable from January 1, 2030.

#### Key words:

- ViDA
- VAT in the digital era
- VAT reporting
- Platforms
- The single window

#### The EU did not reach an agreement on the ViDA proposal (VAT in the digital era) (European Council Press Release)

- ❖ EU finance ministers met on Tuesday, May 14, in Brussels, with the aim of trying to reach an agreement on, among other things, the package concerning VAT in the digital era (ViDA).
- ❖ The package aims to:
  1. **modernize VAT reporting obligations** by standardizing the information that taxable persons must transmit for each transaction and by imposing the use of electronic invoicing for cross-border transactions, which would contribute to combating VAT fraud.
  2. **improve the role of platforms** in collecting VAT when facilitating the provision of short-term rental accommodation or passenger transport services.
  3. **enable VAT registration to be carried out once** for all EU member states by extending and improving the functioning of the single window and reverse charge mechanisms.
- ❖ However, ministers did not reach an agreement on the proposed changes, and discussions will continue in order to reach a compromise that all 27 member states can approve.

#### Key words:

- NCTS5-RO
- Transit
- NCTS4-RO
- AES-RO

#### The NCTS5-RO system became operational on May 17, 2024 (AVR Announcement)

- ❖ The Romanian Customs Authority announces that the **NCTS5-RO** System, initially planned for implementation on December 1, 2023, became operational on **May 17, 2024**, at 14:00.
- ❖ From this date/time onwards, the NCTS5-RO system becomes operational and mandatory for use in all customs offices in Romania for the submission and processing of transit customs declarations.
- ❖ After this date, the NCTS5-RO system will no longer be available for pre-launch testing, and the NCTS4-RO system will no longer be available for completing/submitting transit customs declarations, regardless of the connection method.
- ❖ Further information regarding the AES-RO and NCTS5-RO systems for exports and transit operations can be found on [www.noagroup.ro](http://www.noagroup.ro), under the Newsflash section, dated December 6, 2023 (link [here](#)), and November 22, 2023 (link [here](#)).

#### Key words:

- CASS exemption

#### Clarifications from the National Health Insurance House (CNAS) regarding the exemption from health insurance contributions (CASS) for social insurance benefits (CCF Letter 2226/2024)

- ❖ The Chamber of Tax Consultants (CCF) forwarded a letter to the Ministry of Finance requesting clarifications regarding the application of the

- Medical leaves
- Allowance

exemption from CASS payment for medical leave certificates issued during January - April 2024.

- ❖ Upon redirection to the CNAS, the latter responded that the exemption from CASS payment applies to monthly calculated benefits related to medical leaves (other than those with codes 01, 07, and 10) issued starting from April 1, 2024, and ceased even after the entry into force of Emergency Ordinance 34/2024.

#### Key words:

- Non-salary benefits
- 33% ceiling
- Payment of benefits
- Expense report

#### Clarifications from the ministry of finance regarding the inclusion in the 33% ceiling applicable to non-salary benefits (CCF Address 331/2024)

- ❖ The Chamber of Tax Consultants (CCF) sent a letter to the Ministry of Finance proposing the amendment of regulations regarding the month in which certain non-salary benefits are included in the monthly 33% ceiling of the base salary, when these are paid subsequently for previous periods, and the introduction of transitional provisions for situations where the payment of these benefits is made in 2024 for income related to 2023.
- ❖ The response from the Ministry of Finance was that taxing at the date of approval of the expense report or payment of certain non-salary benefits, when their reimbursement and payment is made subsequently for previous periods, contradicts the regulatory intention of the legislator.
- ❖ Furthermore, the Ministry of Finance does not support the necessity of issuing transitional rules for situations where benefits are reimbursed and paid in 2024 for periods in the year 2023, considering that they are subject to the provisions of the previous applicable law.

#### Key-words:

- Capital premiums
- Associates
- Reserve distribution
- Dividends
- Increase of share capital

#### Addressing ministerial clarifications on the taxation of contribution and merger/division premiums (CCF Letter 2853/2023)

- ❖ The Fiscal Consultants Chamber (CCF) forwarded a letter to the Ministry of Finance seeking clarification on the taxation of reserves distributed from capital premiums, as well as the increase of share capital from such premiums, both for corporate entities subject to corporate income tax or micro-enterprise income tax, and for individuals, whether resident or non-resident.
- ❖ The Minister of Finance responded that regulations regarding the taxation of dividends might also apply to other distributions made according to the law and falling within the definition of dividends.
- ❖ Provisions concerning the non-taxation of share capital increase from issuance premiums could also apply to contribution or merger/division premiums.
- ❖ Regarding the reduction of previously increased share capital from contribution premiums, this could generate taxable income for the difference exceeding the capital contributed by shareholders/partners.

#### Key words:

- Minimum tax on turnover
- Accounting

#### Proposal to modify the accounting method for the minimum tax on turnover (CCF Address 2378/2024)

- ❖ The Fiscal Consultants Chamber (CCF) forwarded a letter to the Ministry of Finance proposing an amendment to the Draft Order regarding the recording of certain taxes in the sense of eliminating account 4417 and using account 691 for the identification of the minimum tax on turnover, or using accounts 4417 and 697.
- ❖ The Ministry of Finance responded that the proposal from CCF was taken into account in finalizing the draft order.

#### Cuvinte cheie:

- Rental income
- Taxation
- Advance payment
- Security deposit
- Renovation/modernization

#### Clarifications from the ministry of finance regarding the new mechanism for taxation of rental income (CCF Address 1110/2024)

- ❖ The Fiscal Consultants Chamber (CCF) sent a letter to the Ministry of Finance highlighting the difficulties in understanding and practically applying the current regulations regarding the taxation of rental income.
- ❖ Such situations include the obligation to pay tax even when the rent is not paid by the individual tenant, the person obligated to pay tax when the rent was paid in advance in 2023 for 2024, how the year of rental income realization is defined, how tax is owed when the tenant carries out renovation and modernization works, what obligations exist when the tenant does not pay the rent, when the security deposit is refunded, or when the property is jointly owned.
- ❖ The response from the Minister of Finance was that the taxation regime varies depending on the status of the tenant, with differentiation existing for various types of income, and that certain situations highlighted by CCF were clarified through a draft law under discussion in the Chamber of Deputies.
- ❖ Additionally, the Ministry of Finance provided specific responses to questions regarding the payment of tax when the tenant carries out renovation and modernization works, when the tenant does not pay the rent, or when the security deposit is refunded.

#### Other news of interest

- VAT return
- CRS
- Financial institutions

#### Update of Form 300 (Order 888/2024)

- ❖ Modifications are made to the VAT return, removing details regarding certain supplies of goods and services exempt with the right to deduct in the medical field.

#### Updated frequently asked questions about CRS (Common Reporting Standard) (ANAF Press Release)

- ❖ To facilitate voluntary compliance with the obligations imposed on financial institutions regarding reporting of information concerning financial accounts, ANAF has provided an updated version of the document "Frequently Asked Questions - CRS" on its portal, provided by the Organisation for Economic Co-operation and Development (OECD).

- Digitalization

- Operating record

- ❖ The new version includes additions regarding due diligence requirements and definitions of specific terms, necessary for financial institutions to consider in applying tax diligence procedures for future reporting obligations.

**Recording of additional tax obligations from digitalization (Order 912/2024)**

- ❖ The procedure for registering debt securities and income from digitalization is approved.
- ❖ ANAF will organize the Operational Record of Digitalization Revenues to monitor revenues from digitalization, representing tax obligations resulting from the use of specific taxpayer risk profiles and the discrepancies and/or inconsistencies identified through the National Strategic Interest Information System (additional tax obligations from digitalization).



NOA înseamnă servicii **premium** de consultanță fiscală, audit intern și strategie de business. Fiecare client NOA are parte de **experiența solidă** a specialiștilor noștri, obținută în proiecte complexe, dar livrată în procese extrem de agile. Fără ierarhii de secolul 20, fără birocrație. Realitatea economică volatilă cere **agilitate** în luarea deciziilor din business.

Cu un spirit **independent**, conectat la prezentul viu, NOA oferă liderilor companiilor vizionare tot suportul în luarea deciziilor. Când au nevoie, cum au nevoie. Peste 100 de companii locale și internaționale, din industrii precum tehnologie, infrastructură, FMCG și retail sunt clienți NOA.

În acest moment, NOA operează din trei sedii la București, Cluj-Napoca și Londra.



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