

Tax news of August



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Amendments in brief:

Postponement of the obligation to prepare the sustainability report - Order No. 1421/2025 of the Minister of Finance on the dates from which certain sustainability reporting requirements apply, was published in the Official Gazette No. 786 of August 22, 2025.

Amendments regarding the taxation of multinational company groups and large national groups – Ordinance no. 21/2025 amending and supplementing Law no. 431/2023 on ensuring a global minimum level of taxation of multinational company groups and large national groups, was published in the Official Gazette no. 805 of August 29, 2025.

New amendments to the Fiscal Code – Ordinance no. 22/2025 amending and supplementing Law no. 227/2015 on the Fiscal Code, was published in the Official Gazette no. 806 of August 29, 2025.

Other news of interest:

Approval of the accounting reporting system as of June 30, 2025 - Order No. 1194/2025 of the Minister of Finance for the approval of the Accounting Reporting System as of June 30, 2025 of economic operators, was published in the Official Gazette No. 730 of August 5, 2025.

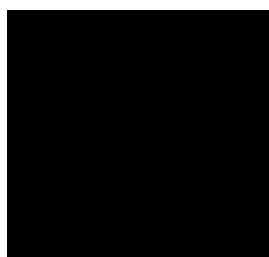
Approval of the model, content, method of submission and management of form 112 – Order no. 2066/ 248/ 1,377/ 3,103/ 2025 of the President of the National Agency for Fiscal Administration, of the President of the National Public Pensions House, of the President of the National Health Insurance House and of the President of the National Employment Agency for the approval of the model, content, method of submission and management of form 112 “Declaration regarding the obligations to pay social contributions, income tax and the nominal record of insured persons”, was published in the Official Gazette no. 800 of August 28, 2025. Also, the annexes containing the instructions for completing form 112, as well as the editing features, the method of dissemination, use and storage of form 112, were published in the Official Gazette no. 800bis on August 28, 2025.

Criteria for assessing high tax risk, according to the joint ANAF & AVR Order no. 1 826/2 372/2025 (which supplements the Annex to Order no. 417/1 204/2025). The criteria for assessing the high tax risk of legal entities have been modified and supplemented. These modifications aim to update and clarify some aspects related to tax behaviors considered risky.

Amendments in details:

Key words <ul style="list-style-type: none"> • 2 year deferral • sustainability report • starting with financial year 2027 • starting with financial year 2028 • total assets • net turnover • average number of employees 	Postponement of the obligation to prepare the sustainability report (Order no. 1421/2025) <ul style="list-style-type: none"> ❖ The obligation to prepare the sustainability report is postponed by two years. ❖ The postponement applies to entities that were already required to prepare sustainability reporting starting with the financial years 2025 and 2026 and which had deadlines in 2026 and 2027. ❖ The obligation will apply starting with the financial year 2027 (with deadline in 2028), instead of 2025, and with the financial year 2028 (with deadline in 2029), instead of 2026. Thus: <ul style="list-style-type: none"> -> 2025 becomes 2027 for: <ul style="list-style-type: none"> • medium and large entities that, at the balance sheet date, exceed the limits of at least two of the following three criteria (other than those that acquired the obligation starting with the financial year 2024): total assets – RON 25,000,000 , net turnover – RON 50,000,000, average number of employees during the financial year - 50; • entities that are parent companies of a large group (other than those that acquired the obligation starting with the financial year 2024); -> 2026 becomes 2028 for companies whose securities are admitted to trading on a regulated market and which do not exceed the following criteria: total assets – RON 25,000,000, net turnover – RON 50,000,000, average number of employees during the financial year - 50.
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Key words <ul style="list-style-type: none"> • tradable transferable tax credit • legal standard of transferability • 15 months • national additional tax • additional additional tax • 12 months • 6 months 	Amendments regarding the taxation of multinational company groups and large national groups (Ordinance no. 21/2025). <ul style="list-style-type: none"> ❖ New definitions are added: <ul style="list-style-type: none"> ✓ tradable transferable tax credit; ✓ legal transferability standard (transfer in max. 15 months to an unrelated third party); ✓ trading standard (transaction at a price \geq minimum price) ❖ The additional tax is added to the computation formula for the national additional tax. ❖ Constituent entities applying Directive 2013/34/EU must present the deferred tax in the notes to the financial statements or may apply IFRS. ❖ Reductions in equity qualifying as Tier 1 own funds are treated as an expense when calculating the qualified result. ❖ The treatment of transferable tradable tax credits is clarified – they can increase or reduce the tax covered, as appropriate. ❖ The treatment of negative additional tax expenses is regulated, which can be carried forward and offset in subsequent years. ❖ The local entity designated as the group's representative in Romania for declarations/notifications is defined.
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- ❖ Declaration deadlines: first year – 12 months from the end of the financial year; subsequently – 6 months.

Key words

- place of service provision
- online events
- works of art regime
- postponement of the deadline for applying RO e-VAT sanctions
- December 31, 2025
- VAT system on receipt
- small businesses
- operations with the place of business abroad
- exemption threshold
- ex officio registration

New amendments to the Fiscal Code (Ordinance no. 22/2025)

New rules regarding the place of supply of services for events organized online:

- ❖ The place of supply of cultural, artistic, sports, scientific, educational, entertainment or similar services (including fairs and exhibitions) provided online is the place where the beneficiary is established, domiciled or has his usual residence.

News regarding the application of the special regime in the case of works of art:

- ❖ The taxable person reselling may opt for the application of the special regime for works of art purchased from another taxable person (not a reseller).

News regarding the RO e-VAT system:

- ❖ The term of application of the sanctions related to the RO e-VAT system is suspended until December 31, 2025 in the case of the following:
 - failure to transmit the response to e-VAT notifications;
 - incomplete provision of information;
 - risk of unjustified VAT refund.
- ❖ The measure is valid also for those who use the VAT cash accounting system.

News regarding the exemption regime applied to small businesses:

- ❖ Small businesses from other EU member states that apply the exemption directly in Romania are also included.
- ❖ The right to deduct is limited for operations with their place of business abroad if the business applies the exemption regime.
- ❖ The exemption threshold is increased from RON 300,000 to RON 395,000 for small businesses that have their economic activity in Romania. Once the threshold is exceeded, the taxpayer is subject to the normal VAT regime starting from the date of exceeding the threshold.
- ❖ Clear procedures are introduced for situations in which a business does not register on time after exceeding the threshold. If the tax authority identify the delay, it registers the taxpayer ex officio, from the date of the exceedance, and establishes the differences in VAT payable or, as the case may be, the amounts to be reimbursed.
- ❖ If the company itself finds the delay, it can request a change in the registration date, compute the differences itself and declare them. In both situations, the regularization is made through the first VAT return filed after the moment of registration or change in the date.

• change of registration date

• threshold of EUR 100,000

• ANAF notification

• VAT code cancellation

• simplified invoices

• tax regularization

• invoice correction

• the threshold of RON 300,000 is exceeded

- ❖ A special regime is created for Romanian companies that want to apply the VAT exemption in other member states. The conditions are that the turnover at the European Union level does not exceed the threshold of EUR 100,000 at the level of the entire Union and, at the same time, remains below the exemption threshold in the state in which they request the application in the case of deliveries of goods and services made in the member state in which the taxable person intends to apply the exemption. To use this facility, the company must notify ANAF, receive a special VAT code marked with the suffix "EX" and is required to periodically transmit data on its turnover achieved in the Union. If it exceeds the ceiling, the exemption ceases and must be registered normally.
- ❖ Similarly, companies from other member states with limited activity in Romania can apply the exemption regime, with the same limits (EUR 100,000 EU, RON 395,000 Romania).
- ❖ Adapted rules for VAT registration, including for cancelled codes.
- ❖ Special registration if the intra-community acquisitions threshold is exceeded or the beneficiary pays VAT.
- ❖ Possibility of simplified invoices for companies in the exemption regime.
- ❖ VAT amendments and corrected invoices for retroactive registration.

The aforementioned provisions enter into force on September 1, 2025.

- ❖ However, there are transitional rules for the month of August as follows:
 - if the ceiling of RON 300,000 is exceeded, but not the ceiling of RON 395,000, the company can remain in the exemption regime;
 - if the new threshold is also exceeded, registration must be made by September 10.
- ❖ In addition, taxpayers already registered only for exceeding the old threshold may request deregistration if they fall within the new threshold limit.
- ❖ The request for deregistration of taxable persons registered for VAT purposes may be submitted to the competent tax authorities between the 1st and 10th of each month following the tax period applied by the taxable person.
- ❖ Within 30 days of entry into force, ANAF must issue orders establishing the detailed procedures for the application of the new regimes.

Others news of interest:

Key words

• accounting reporting system

• turnover

• EUR 1,000,000

Approval of the accounting reporting system as of June 30, 2025 (Order no. 1194/2025)

- ❖ The Accounting Reporting System as of June 30, 2025 of economic operators is approved.
- ❖ Applies to:
 - ✓ Entities that apply the Accounting Regulations on individual and consolidated annual financial statements and that in the previous financial year had a net turnover > EUR 1,000,000;

• form 112

• instructions for completion

• new criterion

- ✓ Persons that apply the International Financial Reporting Standards (IFRS) and that in the previous financial year had a net turnover > EUR 1,000,000.

Approval of the model, content, submission and management method of form 112 (Order no. 2066/ 248/ 1,377/ 3,103/ 2025)

- ❖ Form 112 "Declaration regarding the obligations to pay social contributions, income tax and the nominal record of insured persons" is approved.
- ❖ The instructions for completing form 112 are approved, as well as the editing characteristics, dissemination, use and storage of form 112.

The criteria for assessing high tax risk, according to the joint ANAF & AVR Order no. 1 826/2 372/2025 (which supplements the Annex to Order no. 417/1 204/2025):

New criterion added:

- ❖ Economic operators whose tax domicile is declared at the headquarters of a law firm are expressly included in the category of those with high tax risk



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