



Tax & Legal Newsletter December 2020

A. TAX NEWSLETTER

1. Changes to the Fiscal Code

The authorities recently announced a number of changes to the Fiscal Code, including the following:

- The tax on buildings and land used for a maximum of 180 days a year in the provision of tourism services is reduced by 50%
- Tax incentives on early education provision are to be introduced (e.g. tax credits of up to RON 1,500 a month for each child).
- Starting in 2021, the supply of dwellings with a maximum usable area of 120 m² and a maximum sales price of EUR 140,000 will benefit from the lower VAT rate of 5%.
- Profit reinvested in supporting dual-vocational education is to become exempt from corporate tax.
- Sponsorship expenditure may now also include costs incurred by taxpayers for the practical training of pupils.

In addition, various important amendments to the Fiscal Code and the Fiscal Procedure Code are to be enacted. We will be providing further details of these in subsequent newsletters.

Source: Law no. 230/2020, Law no. 239/2020, Law 248/2020 and Law no. 262/2020 on the amendment of Law no. 227/2015 regarding the Fiscal Code

2. Procedure for debt rescheduling

The procedure for the granting of debt rescheduling facilities has also been published. In brief, fiscal obligations with a maturity date/payment deadline falling after the date of the declaration of the state of emergency and still unpaid by the date of issue of the tax certificate can now be paid in instalments over a period of up to 12 months.

Source: Order no. 3896/2020 on the approval of the Procedure for the granting of debt rescheduling facilities by the central fiscal body, as well as the amendment of Annex no. 2 to Order of the President of the National Agency for Fiscal Administration no. 90/2016 on the approval of the content of the application for the granting of debt rescheduling facilities and documents submitted in support thereof, as well as of the Procedure for the implementation of debt rescheduling facilities by the central fiscal body



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B. LEGAL NEWSLETTER

On 23 November 2020, the Romanian Government adopted Emergency Ordinance no. 203/2020 clarifying various aspects with regard to requests for the display of offers for sale of agricultural land located outside built-up areas submitted by 13 October 2020 and currently being processed.

Consequently, any agricultural land located outside built-up areas and the subject of a request for the display of an offer for sale, submitted by 13 October 2020 with the local public authorities in the administrative territorial unit in which the land is located, **may be alienated until 31 January 2021 in accordance with the rules applicable prior to those established through Law no. 175/2020.**

Emergency Ordinance no. 203/2020 provides for the following:

- Requests for the display of an offer for sale and requests for the communication of the acceptance of said offer, submitted within 30 days of the display thereof by the pre-emption right holder together with the relevant supporting documents, will be processed taking into account the pre-emption rights of the co-owners, lessees, neighbouring owners and the Romanian state (through the State Domains Agency), in that order, at the same cost and under equal conditions, with the offers being attested by the final approval issued by the Ministry of Agriculture and Rural Development in the case of land with a surface area of more than 30 hectares, hereinafter referred to as the “central structure”, or by the county directorates for agriculture in the case land with a surface area of less than 30 hectares, hereinafter referred to as “territorial structures”.
- If the holders of pre-emption rights have not demonstrated, within 30 days from the display of the offer for sale, an intention to purchase the land forming the object of the offer for sale, the local public authority in the administrative territorial unit where the land is located will issue a certificate of free sale.

The conclusion of contracts for the sale of agricultural land takes place without the requirement to meet other conditions, with the notary public only requesting the following documents as required:

- a) final approvals issued by the central structure or territorial structures
- b) the certificate of free sale, issued by the local public authority in the administrative territorial unit where the land is located
- c) various other approvals.

As a consequence, **the new restrictive rules introduced by Law no. 175/2020, as described in the article [New rules and restrictions on the sale of agricultural land](#), will not come into force until 31 January 2021.**

Source: Emergency Ordinance no. 203/2020 on various measures to regulate the sale of agricultural land located outside built-up areas, as published in the Official Gazette no. 1,132 of 25 November 2020.

This newsletter is a service of TPA.

Kind regards

Your TPA Team



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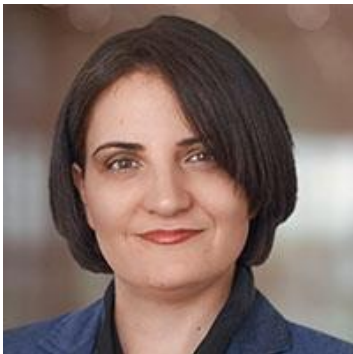
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