

## Tax & Legal Weekly Alert

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### In this issue:

#### **Emergency Ordinance no. 1/2020 regarding certain fiscal and budgetary measures, as well as modifying and completing some normative acts**

On January 9, 2020, it was published in the Official Gazette no. 11/09.01.2019, the Emergency Ordinance no. 1/2020, which brings a series of changes to the following normative acts:

- GEO no. 114/2018 regarding the establishment of certain measures in the area of public investments, as well as the establishment of certain fiscal and budgetary measures, modifying and completing some normative acts and the extension of certain deadlines;
- Law no. 411/2004 regarding privately managed pension funds;
- GEO no. 28/1999 regarding the obligation of the economic operators to use electronic cash registers;
- Law of electricity and natural gas no. 123/2012;
- GEO no. 33/2007 regarding the organization and functioning of the National Energy Regulatory Authority;
- Law 227/2015 regarding the Fiscal Code.



## **Emergency Ordinance no. 1/2020 regarding certain fiscal and budgetary measures, as well as modifying and completing some normative acts**

- I. GEO no. 114/2018 regarding the establishment of certain measures in the area of public investments, as well as the establishment of certain fiscal and budgetary measures, modifying and completing some normative acts and the extension of certain deadlines**
- The provisions regarding the bank assets tax are repealed – starting from 2020, this tax is no longer due;
  - As regards the bank assets tax due for year 2019, it shall be declared until the 25<sup>th</sup> of August 2020 inclusively. The additional amounts, related to the first semester of 2019 shall be paid no later than 25<sup>th</sup> of August inclusively, whilst the minus differences shall be reimbursed/compensated according to the Fiscal Procedure Code;
  - For the year 2020, the bank assets tax shall not be computed and shall not be due.
- II. Law no. 411/2004 regarding privately managed pension funds**
- The minimum amount of share capital required for the administration of a pension fund is EUR 4 million;
  - The operating fees established by the Financial Supervisory Authority that will be collected from the companies that are handling the privately managed pension funds will not exceed 10% of the total management fees received by the administrators.
- III. GEO no. 28/1999 regarding the obligation of the economic operators to use electronic cash registers**
- Until the 31<sup>st</sup> of December, 2020, the economic operators who deliver goods and provide services through commercial vending machines that operate on the basis of card payments, as well as acceptors of banknotes or coins, as the case may be, have the obligation to equip the respective machines with electronic cash registers as provided in Government Ordinance no. 28/1999.
- IV. The Law of electricity and natural gas no. 123/2012**
- Until 30<sup>th</sup> of July 2020, producers that are carrying out extraction or sale of natural gas extracted from the Romanian territory have the obligation to sell at a price of 60 lei/MWh, under the conditions regulated by NERA. This measure is applied only if the market price monitored by NERA, taking into account the quantities and prices recorded on each market segment, is above the value of 68 lei/MWh.
  - Until 30<sup>th</sup> of June, 2020, according to NERA regulations, it shall be recovered those differences resulted from the acquisitions costs related to the years 2018 and 2019 registered by the suppliers and were not recovered through the agreed prices.
  - Failure to comply with the above provisions will result in a fine between 2% and 10% of the turnover recorded in the previous year prior to the application of the contraventional sanction.
- V. GEO no. 33/2007 regarding the organization and functioning of the National Energy Regulatory Authority**
- Starting with January 2020, the level of the tariffs and contributions will be established annually by order of NERA President.

- The annual contribution received by NERA from the license holders in the field of electricity and natural gas, amounting to 2% of the turnover, is repealed.

#### **VI. Law 227/2015 regarding the Fiscal Code**

- The level of the excise duties applied to excisable products stipulated in appendix no. 1 of the Fiscal Code will be updated, from January 1<sup>st</sup> of each year, with the increase of the consumer prices of the last 12 months, calculated in September of the year before the one of application and officially communicated by the National Institute of Statistics until the date of October 15<sup>th</sup>.
- The exception to this is represented by cigarettes, in which case the updated level of the excise duty will be applied from April 1<sup>st</sup> of each year.

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