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The European Commission released its legislative proposal authorizing Romania to introduce as of 1 January 2024 a derogating measure to apply mandatory B2B electronic invoicing

According to this legislative proposal submitted for Council of the European Union's approval, Romania will be able to implement mandatory electronic invoicing in all B2B transactions starting with 1 January 2024.

Order of the Ministry of Finance for the amendment of Order 2.844/2016 regarding the application of International Financial Reporting Standards

According to this order, the entities resulting from the reorganization of state-owned legal entities can apply IFRS regulations.

Order of the Minister of Finance amending and completing certain regulations on financial and accounting documents

This order aims to align the archiving period of the mandatory accounting registers and the supporting documents which are the basis for the financial accounting records with the Accounting Law provisions.

I. The European Commission released its legislative proposal authorizing Romania to introduce as of 1 January 2024 a derogating measure to apply mandatory B2B electronic invoicing

The European Commission submitted on 23 June 2023 for Council of the European Union's approval its proposal to authorize derogation from art. 218 and 232 of Directive 2006/112/EC ("VAT Directive") as requested by Romania.

Once the proposal is accepted by the Council of the European Union, Romania will be authorized to use B2B electronic invoicing, without prior acceptance of the beneficiary.

The proposal provides for the derogation to apply from 1 January 2024 until the earlier of the following two dates:

- 31 December 2026;
- date from which Member States are required to adopt VAT rules for the digital age ("ViDA"), in particular art. 218 and 232 of the VAT Directive.

The main objectives of implementing the mandatory B2B electronic invoicing system are: combating tax fraud and evasion, making collection more efficient, and reducing administrative burden.

Similar measures have been approved for other Member States, such as Italy, Poland and France. Recently, the European Commission released a similar derogation proposal for Germany.

II. Order No. 1.427 from April 25, 2023, regarding the application of International Financial Reporting Standards

Order of the Ministry of Finance 1.427/2023 published in the Official Gazette no. 389 on May 5, 2023, introduces the possibility to apply the Order 2.844/2016 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards for the entities resulting from reorganization of state-owned legal entities

The list of state-owned companies is included in the annex to the Order of the Ministry of Public Finance no. 666/2015 regarding the application of Accounting Regulations in accordance with International Financial Reporting Standards by certain state-owned entities.

III. Order No. 1.447/2023 from May 24, 2023, for amending certain regulations on financial and accounting documents

The Order of the Ministry of Finance published in the Official Gazette no. 453 from May 24, 2023, brings the following amendments to the Order of the Ministry of Public Finance 2.634/2015 on financial and accounting documents:

- Reconstitution of financial and accounting documents

Reconstitution is mandatory for lost, stolen or destroyed financial and accounting documents, which are within the retention period provided by the accounting law.

- The period for keeping the mandatory accounting records and supporting documents by the entities referred to in Art. 1 of the Accounting Law, persons conducting single-entry bookkeeping and non-profit entities

The mandatory accounting records and supporting documents based on which the accounting entries are performed, including payroll files, shall be kept in the archive for 5 years, calculated from July 1 of the year following the end of the financial year in which they were prepared.

As an exception to the 5-year retention period, supporting documents certifying the origin of goods with a useful life grather than 5 years shall be kept in the archive for the period corresponding to their useful life.

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