

Tax & Legal Weekly Alert

24 – 28 October 2016

In this issue:

Law on taxation of activities in the HoReCa industry is adopted

Under Law no. 170/2016, taxpayers that perform activities in the HoReCa industry (hotels, restaurants, coffee shops) must apply specific rules regards the computation, declaration and payment of corporate income tax.

The law will enter into force on 1 January 2017 and will apply to taxpayers that meet the conditions regarding the specific activity as at 31 December of the previous year.

The Law no. 211/2011 on waste regime was amended

Last week, the law on waste regime was amended. The main change relates to the application of the principle "Pay as you throw" - with the purpose of stimulation of separate waste collection and to contribute to the fulfilment of the recycling/recovering target at country level.



Law on taxation of activities in the HoReCa industry is adopted

To whom do the law's provisions apply?

The provisions of Law no. 170/2016 apply to Romanian legal entities that perform activities corresponding to the following CAEN codes:

- 5510 - "Hotels and other similar accommodation "
- 5520 - "Accommodation facilities for holidays and short periods of time"
- 5530 - "Caravan parks, campgrounds and camps"
- 5590 - "Other accommodation services"
- 5610 - "Restaurants"
- 5621 - "Catering activities"
- 5629 - "Other food services"
- 5630 - "Bars and other beverage serving activities".

Computation principles

This specific tax is computed based on a standard tax and on certain coefficients that depend on: the class of the city/village where the activity is performed, usable commercial surface and seasonality. The value of these items differ depending on the type of activity performed.

Declaration and payment rules

The declaration and payment of this specific tax is performed biannually, until the 25th of the following month. The amount to be paid is half of the annual specific tax.

For further questions regarding the aspects mentioned in this alert, please contact us.

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The Law no. 211/2011 on waste regime was amended

For a correct and complete transposition into national law of Directive 2008/98/EC on waste, last week the Emergency Ordinance no. 68/2016 amending and supplementing Law no. 211/2011 on waste regime was published in the Official Gazette.

Essential changes and amendments address the following topics:

Regulating the principle "Pay as you throw"

Public authorities have the possibility of implementing the system "pay as you throw", already used by other European countries in order to stimulate and increase selective collection rate for recovering/recycling. According to the legal provisions, using this system is not mandatory, local authorities being able to implement it on the grounds of technical and economic feasibility and environmental protection.

Holders of construction/demolition authorization have the obligation to ensure preparation for recovery of the non-hazardous waste originated from construction and demolition activities

Starting 2017, these economic operators have the obligation to ensure preparation for reuse, recycling and other material recovery, including filling-up operations of non-hazardous waste originated from construction and demolition activities.

At national level, the percentage for preparation for recovery of this waste must be in 2017 of 30% of the total yearly quantity generated, the level increasing progressively until 2020, when a rate of 70% has to be registered.

New provisions regarding the environmental authorities held by recycle/recovery operators

Environmental authorizations held by economic operators performing waste recycling/recovery activities will contain, mandatory, in addition to the information so far, the details on the types and quantities of waste produced resulting from the installation and the recovery codes.

Deloitte specialists appreciate this change, previous sustaining that because of the lack of this information on environmental authorizations, it could not have been ensured a proper control over the waste treatment capacity.

Evidence of waste management

According to new provisions, classification and codification of waste management shall be performed in accordance with the provisions of Decision no. 2014/955/UE, replacing thus the use of waste list provided by the Government Resolution no. 856/2002 regarding the evidence of waste management and the approval of the list comprising waste, including hazardous waste.

Reporting of the data and information regarding waste management will be made by the territorial environmental protection agency, until 31 March of the next year correspondent to the reporting one, also on paper, as well as on electronic support.

For further questions regarding the aspects mentioned in this alert, please contact us.

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