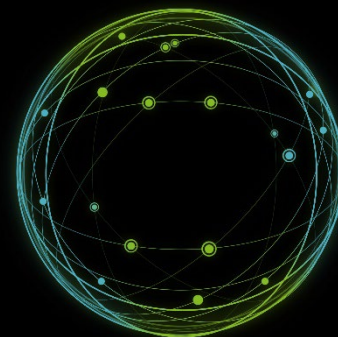


International Tax Romania Highlights 2026

Updated January 2026



Recent developments

For the latest tax developments relating to Romania, see [Deloitte tax@hand](#).

Investment basics

Currency: Romanian Leu (RON)

Foreign exchange control: The RON is fully convertible, and residents may make external payments in foreign currency (with banks generally requiring documentation).

Accounting principles/financial statements: Romanian accounting standards follow the fourth and seventh EU directives on accounting. IFRS is accepted to prepare a second set of financial statements for certain companies. Banks, financial institutions, and companies whose securities are traded on a regulated capital market must apply IFRS for accounting purposes.

Principal business entities: These are the joint stock company, general partnership, limited partnership, partnership limited by shares, limited liability company, branch of a foreign company, and representative office.

Corporate taxation

Rates	
Corporate income tax rate	16%
Branch tax rate	16%
Capital gains tax rate	16%

Residence: A company is resident in Romania if it is incorporated in accordance with Romanian legislation or if its place of effective management is in Romania. The definition of resident also includes legal entities headquartered in Romania but incorporated under EU rules (e.g., the *Societas Europaea*, European cooperative).

Basis: Resident companies are taxed on their worldwide income; nonresident companies are taxed only on Romanian-source income. Branches are taxed in the same way as subsidiaries. The corporate income tax base is the difference between the gross income and expenses booked in accordance with the applicable accounting rules, reduced by nontaxable income and increased by nondeductible expenses. Items similar to income and expenses also are taken into account.

Taxable income: All income generally is taxable, except for income that is specifically exempt (e.g., certain dividends; see “Participation exemption,” below).

Rate

General

The standard corporate income tax rate is 16%. Microenterprises (small companies that meet certain criteria and have a turnover below EUR 100,000) are taxed at 1% of revenue (excluding certain income specifically excluded by law, such as income derived from the transfer of fixed assets and land).

Surtax

There is no surtax.

Alternative minimum tax

Taxpayers (other than credit institutions and companies operating in the oil and natural gas sector) with prior year turnover exceeding EUR 50 million may be required to pay minimum turnover tax (MTT). For 2026, MTT is calculated as 0.5% of turnover as adjusted for tax purposes (i.e., accounting turnover reduced by certain types of revenue, the value of investments in progress, and depreciation of assets acquired or produced after 1 January 2024). Current legislation provides for the MTT regime to be abolished as from 2027. Where the corporate income tax otherwise payable at the relevant quarterly or annual payment date (see “Filing and payment” under “Compliance for corporations,” below) is lower than the MTT, the MTT is payable.

Global minimum tax (Pillar Two)

Romania has transposed into its domestic legislation the EU “Pillar Two” directive that is designed to ensure a global minimum level of taxation of 15% for multinational enterprise (MNE) groups and large-scale domestic groups within the EU with annual consolidated revenue of at least EUR 750 million. The IIR (income inclusion rule) applies for accounting periods beginning on or after 31 December 2023 and the UTPR applies for accounting periods beginning on or after 31 December 2024. Romania also has adopted a domestic top-up tax (designed to be a qualified domestic minimum top-up tax (QDMTT)), applicable for accounting periods beginning on or after 31 December 2023. The OECD’s central record of legislation with transitional qualified status under the GloBE framework includes Romania’s IIR as a qualified IIR and its domestic top-up tax as a QDMTT that meets QDMTT safe harbor standards, as from 31 December 2023.

As from 1 January 2026, an optional tax credit for eligible research and development (R&D) expenses is available, structured as a qualified refundable tax credit for Pillar Two purposes (see “Incentives,” below).

Taxation of dividends: Dividend income received by one Romanian company from another is not taxable. Dividends received by a Romanian company from a foreign company generally are included in taxable income and taxed at the standard corporate income tax rate, although foreign dividends may be exempt from taxation under certain circumstances (see “Participation exemption,” below).

Capital gains: Gains derived by resident and nonresident companies from the sale of shares and real estate are included in overall profits and taxed at the standard corporate income tax rate of 16%. Certain capital gains may be exempt (see “Participation exemption,” below).

Losses: Tax losses arising in 2024 and subsequent years may be offset against a maximum of 70% of taxable profits over the next five consecutive years.

Prior to 2024, tax losses could be carried forward for seven years. Unrelieved tax losses as at 31 December 2023 may be offset against a maximum of 70% of taxable profits derived in consecutive years from 2024 onwards, for the remainder of the seven-year period.

Losses may not be carried back.

Foreign tax relief: A foreign tax credit is granted if provided in an applicable tax treaty and if the taxpayer can demonstrate that income tax was paid in the foreign jurisdiction. The tax credit may not exceed the Romanian tax payable on the income.

Participation exemption: Dividends derived by a resident company from a company in an EU member state or a non-EU jurisdiction that has concluded a tax treaty with Romania are exempt from tax if the Romanian recipient company holds at least 10% of the payer company's shares for an uninterrupted period of at least one year.

Capital gains from the sale or assignment of shares held in a Romanian company are tax exempt if the seller or assignor holds at least 10% of the shares in the company for an uninterrupted period of at least one year. A tax exemption also applies to income arising at the level of a Romanian company from the sale, assignment, valuation, or revaluation of shares held in a Romanian company or a foreign company located in a jurisdiction that has concluded a tax treaty with Romania.

Income obtained by a resident company from the liquidation of a Romanian company or a foreign company located in a jurisdiction that has concluded a tax treaty with Romania is not taxable in Romania if the resident company holds at least 10% of the share capital of the company that is undergoing the liquidation procedure for an uninterrupted period of at least one year.

Holding company regime: See "Participation exemption," above.

Incentives: The following corporate income tax incentives are available: an additional 50% deduction for eligible expenses arising from R&D activities; accelerated depreciation of machinery and equipment used in R&D activities; a corporate income tax exemption for profits reinvested in certain technological equipment acquired and brought into use; and a 10-year corporate income tax exemption for taxpayers engaged exclusively in R&D and innovation activities. As from 1 January 2026, an optional tax credit for eligible R&D expenses is available, structured as a qualified refundable tax credit for Pillar Two purposes, which applies as an alternative to the additional 50% deduction.

For investments made during 2026 in technological equipment, and animals and plantations (groups 2.1 and 2.4, respectively, in the official published catalog of fixed assets), accelerated depreciation is available, allowing a deduction of up to 65% of the fiscal value of the asset in 2026.

Other

Supplemental turnover tax for credit institutions

Romanian credit institutions and Romanian branches of foreign credit institutions are subject to a supplemental turnover tax in addition to the standard corporate income tax. For 2026, the rate of turnover tax is 4% of turnover (increased from 2% for 2025). The rate may be reduced to 2% for financial institutions if certain conditions are met.

A list has been published of specific types of income and expenses relevant to the banking sector taken into account to determine turnover for this purpose.

Supplemental turnover tax for taxpayers operating in the oil and natural gas sector

Taxpayers operating in the oil and natural gas sector are subject to a 0.5% supplemental turnover tax in addition to the standard corporate income tax. Certain exemptions are available, depending on the type of activity. The supplemental turnover tax is calculated cumulatively from the beginning of the fiscal year. Current legislation provides for the abolition of the supplemental turnover tax as from 2027.

Compliance for corporations

Tax year: The tax year is the calendar year, although taxpayers may opt for a fiscal year corresponding to the entity's financial accounting year. Romanian subsidiaries of foreign companies that have a different financial accounting year may modify the date set for the completion of their financial statements only if the parent company adjusts its reporting date or is subject to reorganization procedures.

Consolidated returns: Fiscal consolidation for corporate income tax purposes is available if certain conditions are met.

Filing and payment: Corporate income tax compliance is carried out quarterly, followed by the final year end calculation, declaration, and payment of tax. Corporate income tax is calculated and paid quarterly based on actual figures. Quarterly returns and payments are due by the 25th day of the month following the reporting quarter (applicable for the first three quarters). The filing deadline for the annual corporate income tax return is 25 June for taxpayers with a calendar year fiscal year. For taxpayers applying for a modified fiscal year, the return must be filed within six months from the end of the relevant fiscal year.

Certain taxpayers may opt to declare and pay corporate income tax by applying the “prepayment system” (i.e., by making prepayments equal to one-quarter of the annual corporate income tax liability for the previous fiscal year, adjusted for the Consumer Price Index). At year end, the taxpayer calculates the annual corporate income tax liability based on the actual figures and pays any difference.

Nonresident legal entities that carry out activities in Romania through multiple permanent establishments (PEs) must designate a PE to fulfill the corporate income tax obligations (i.e., prepare a single set of returns consolidating income and expense items of all the Romanian PEs of the nonresident).

Penalties: Late payment of tax is subject to interest at a rate of 0.02% per day of delay, with an additional late payment penalty of 0.01% per day of delay. An additional penalty of 0.08% per day applies to unreported or erroneously reported tax amounts. The late payment penalty does not apply to the main tax liabilities subject to a nondeclaration penalty.

Rulings: Advance tax rulings are available. Unilateral, bilateral, and multilateral advance pricing agreements (APAs) also are available (see “Transfer pricing,” below).

Individual taxation

Rates	
Individual income tax rate	10% (generally)
Capital gains tax rate	3%/6%/16%

Residence: An individual is tax resident in Romania where at least one of the following conditions is met: (i) the individual’s domicile is in Romania; (ii) the individual’s center of vital interests is in Romania; (iii) the individual is present in Romania for a period or periods that exceed, in the aggregate, 183 days during any consecutive 12-month period beginning or ending in the relevant calendar year; or (iv) the individual is a Romanian citizen who is serving abroad as an official or employee of the Romanian government.

All individuals entering or leaving Romania for a period exceeding 183 days during a consecutive 12-month period are required to have their tax residency officially assessed by the Romanian tax authorities. They must answer a questionnaire and provide documentation to support their answers. The deadline for submitting the questionnaire for individuals arriving in Romania is 30 days after they have been present in Romania for 183 days. For individuals leaving Romania, the questionnaire must be submitted at least 30 days before the intended departure date. Failure to comply with these deadlines triggers potential fines ranging from RON 50 to RON 100.

Basis: Tax resident individuals are taxed on their worldwide income; tax nonresidents are taxed only on Romanian-source income.

Taxable income: Salary and salary-related income (e.g., benefits in kind related to employment) are subject to tax. The taxable income of employees under an employment contract is determined as the difference between gross income from salaries (including salary-related allowances and benefits in kind) and allowable personal deductions, including: union dues paid; mandatory social contributions payable by the employee; contributions paid by employees to private pension funds, occupational pension funds, authorized pan-European personal pension products, and private health insurance funds (including subscriptions to private medical services paid directly by the employee); amounts paid by individuals for the

acquisition of shares, bonds, or exchange traded funds through Romanian intermediaries or foreign tax residents operating in Romania through a PE acting as an intermediary (subject to a maximum of EUR 400 per year per employee per fund); and subscriptions to sports and wellness facilities borne by employees, up to a maximum of EUR 100 per year per employee. Contributions to private pension or occupational pension funds and health insurance funds, as well as subscriptions to private medical services paid by the employer on behalf of the employee, are nontaxable up to EUR 400 per year per employee per fund; for sports and wellness subscriptions, the limit is EUR 100 per year per employee.

A tax exemption may be available for employment income derived by employees performing certain qualifying R&D activities, as evaluated by their employer. Benefits granted to employees and directors (including those of affiliated entities) in the form of equity-based compensation (i.e., qualifying employee share plans) are taxed under a specific favorable regime if the plan, the employee, and the employer satisfy the required legal criteria.

Rates: An income tax rate of 10% generally applies. As from 1 January 2026, a 16% tax rate applies to the following types of income:

- Dividends distributed on or after 1 January 2026;
- Income derived from the disposal of cryptocurrencies; and
- Deemed dividends (benefits in the form of money, goods, services, or discounts received by shareholders for their personal use).

Income derived from the transfer of real estate is taxed at a rate of 1% where the real estate assets have been held for more than three years; otherwise, the rate is 3%.

Capital gains: As from 1 January 2026, capital gains are taxed at 16% (previously 10%).

Gains generated from transactions performed through Romanian authorized intermediaries (e.g., Romanian resident brokers, Romanian PEs of foreign brokers) are subjected to reduced tax rates of 6% where the assets have been held for less than one year and 3% where the assets have been held for at least one year.

Capital losses may be offset only against up to 70% of net annual capital gains derived from the same jurisdiction over a period of five consecutive years following the year in which the loss arose.

Deductions and allowances: There are certain allowances for children and personal deductions for taxable persons with dependents. Employees may be entitled to a deduction for certain expenses in determining their taxable employment income (see “Taxable income,” above).

Foreign tax relief: Romanian tax residents may claim a foreign tax credit in Romania if provided in an applicable tax treaty and if the taxpayer can demonstrate that income tax was paid in the foreign jurisdiction. The tax credit may not exceed the Romanian tax payable on the income.

Compliance for individuals

Tax year: The tax year is the calendar year.

Filing status: Each taxpayer must file an individual tax return; joint filing is not permitted (even for spouses).

Filing and payment: Individual income tax returns are due, and the associated tax is payable, by 25 May of the year following the year in which the income was earned.

Tax returns relating to salary-type income earned from a Romanian employer or similar income earned from abroad for activities performed in Romania are due by the 25th day of each month for salary earned for the previous month. Romanian employers are required to compute and withhold the tax, file the tax return, and pay the tax due to the tax authorities on behalf of their employees, while the individual is directly responsible for filing and payment in respect of income received from a foreign employer for work performed in Romania.

The salary tax is flat and final. Generally, no year-end reconciliation via an annual tax return is required for salary income but certain exceptions apply.

Penalties: Late payment of tax is subject to interest at a rate of 0.02% per day of delay, with an additional late payment penalty of 0.01% per day of delay. A penalty of up to 0.08% per day of delay may apply to unreported or erroneously declared tax amounts established by the tax authorities during tax audits.

Rulings: An advance ruling system exists, allowing individuals to obtain a tax ruling on a proposed transaction, but is rarely used in practice.

Withholding tax

Rates				
Type of payment	Residents		Nonresidents	
	Company	Individual	Company	Individual
Dividends	0%	16%	16%	16%
Interest	0%	10%	16%	10%
Royalties	0%	10%	16%	10%

Dividends: No withholding tax is imposed on dividends paid to a resident company. A 16% withholding tax is imposed on dividends paid to a resident individual. A 16% withholding tax (increased from 10% as from 1 January 2026) is imposed on dividends paid to a nonresident company, unless the rate is reduced under an applicable tax treaty or the dividends qualify for exemption under the EU parent-subsidiary directive (a minimum 10% holding for an uninterrupted period of at least one year is required). A 16% withholding tax is imposed on dividends paid to a nonresident individual, unless the rate is reduced under an applicable tax treaty.

Interest: No withholding tax is imposed on interest paid to a resident company. A 16% withholding tax is imposed on interest paid to a nonresident company, unless the rate is reduced under an applicable tax treaty or the interest qualifies for exemption under the EU interest and royalties directive (a minimum 25% holding for an uninterrupted period of at least two years is required). Interest paid to resident and nonresident individuals is subject to a 10% withholding tax rate, unless, in the case of nonresidents, the rate is reduced under an applicable tax treaty.

Royalties: No withholding tax is imposed on royalties paid to a resident company. A 16% withholding tax is imposed on royalties paid to a nonresident company, unless the rate is reduced under an applicable tax treaty or the royalties qualify for exemption under the EU interest and royalties directive (a minimum 25% holding for an uninterrupted period of at least two years is required). Royalties paid to resident and nonresident individuals are subject to a 10% withholding tax rate, unless, in the case of nonresidents, the rate is reduced under an applicable tax treaty.

Fees for technical services: No withholding tax is imposed on fees for technical services paid to a resident company. All types of services performed in Romania by a nonresident entity for the benefit of a Romanian company are subject to a 16% withholding tax. Management and consultancy services performed by a nonresident entity for the benefit of a Romanian company are subject to a 16% withholding tax regardless of where the services are performed. The rate on payments to a nonresident may be reduced under an applicable tax treaty.

Branch remittance tax: There is no branch remittance tax.

Other: A 50% withholding tax is levied on payments made to a resident of a jurisdiction that has not concluded an exchange of information agreement with Romania if the payment is subject to withholding under Romanian legislation and is made in relation to an artificial transaction.

Anti-avoidance rules

Transfer pricing: Romania's transfer pricing rules generally follow the OECD guidelines, although certain local requirements apply regarding the content and structure of the transfer pricing file, the application of transfer pricing methods, and the strategy used to conduct benchmarking studies. All documentation must be prepared in the Romanian language.

Large taxpayers, with limited exceptions, are required to prepare an annual transfer pricing file by the date of submission of the annual corporate income tax return. For other categories of taxpayers, the transfer pricing file is required to be prepared and submitted only if requested by the tax authorities during an audit.

Where intragroup transactions are not carried out in accordance with the arm's length principle or the transfer pricing file is either not prepared or is incorrect, the Romanian tax authorities have the right to adjust or estimate the taxable base, as appropriate.

An APA may be obtained for up to five years. By exception, an APA may be issued for a longer period in the case of long-term agreements. Since July 2025, it also has been possible to "roll back" an APA for a period no longer than five fiscal years. The deadline for issuing an APA is up to 12 months (for unilateral agreements) and up to 18 months (for bilateral or multilateral agreements) from the date an APA request is submitted. The fee for issuing or amending an APA varies, depending on the taxpayer's classification as small, medium-sized, or large.

Country-by-country (CbC) reporting obligations also apply (see "Disclosure requirements," below).

Interest deduction limitations: The limitation rules provided by the EU Anti-Tax Avoidance Directive (ATAD) have been implemented into Romanian tax legislation. Under these rules, "exceeding borrowing costs" (the difference between borrowing costs, and interest income and other economically equivalent income) are deductible up to a threshold of EUR 1 million plus 30% of tax adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization). The amounts exceeding the limit are nondeductible in the current year but may be carried forward for an indefinite period; the same rules apply where there is negative EBITDA.

Controlled foreign companies: Romania has implemented the ATAD provisions for controlled foreign companies (CFCs). Romanian corporate income taxpayers that control a foreign company must include certain income of the CFC in their taxable base. An entity is considered a CFC if both of the following conditions are met:

- The taxpayer (i) has, alone or together with its associated enterprises, a direct or indirect participation of at least 50% of the voting rights; (ii) holds, directly or indirectly, at least 50% of the entity's share capital; or (iii) has the right to receive at least 50% of the foreign company's profits; and
- The corporate income tax effectively paid by the foreign entity is less than the difference between the corporate income tax that would have been imposed under Romanian tax rules and the corporate income tax effectively paid.

The CFC rules apply to the following types of revenue:

- Dividends, interest, royalties, and capital gains;
- Income from finance leases, insurance activities, and banking activities; and
- Services income relating to goods and services purchased from and sold to associated enterprises, in cases where the services carried out add little or no economic value.

Anti-hybrid rules: Romania has implemented the ATAD II provisions regarding hybrid tax mismatches that occur in cross-border transactions and a series of regulations governs the corporate income tax obligations of taxpayers that are party to hybrid mismatch arrangements.

Economic substance requirements: The Romanian tax authorities may disregard a transaction or reclassify the nature of a transaction to reflect its economic substance if they take the view that the transaction is artificial or would not form part of an entity's regular business. Tax treaties and EU directives do not apply to artificial transactions.

Disclosure requirements: Transfer pricing documentation requirements apply (see “Transfer pricing,” above).

A parent company or other reporting entity that is resident in Romania and is part of an MNE group with consolidated income exceeding EUR 750 million is required to submit a CbC report for each reporting year, subject to certain conditions. Romanian resident constituent entities that are part of MNE groups meeting the criteria for CbC reporting must file an annual notification indicating the party that will prepare and file the CbC report. The notification must be filed by the last day of the MNE group’s reporting fiscal year, but no later than the deadline for the submission of the annual corporate income tax return for the respective constituent entity for the previous fiscal year. Where the CbC report at group level is submitted outside the EU, a secondary submission must be made in Romania. Late submission of the CbC report or the transmission of incorrect or incomplete information may result in a fine of between RON 30,000 and RON 50,000, and failure to submit the report may result in a fine of between RON 70,000 and RON 100,000.

Romania has implemented the EU directive on the mandatory automatic exchange of tax information in relation to reportable cross-border arrangements (DAC 6).

Romania has also implemented the EU directive on public CbC reporting as from the 2023 financial year (i.e., as from 1 January 2023). Public CbC reporting is required by ultimate parent companies (being the entity that prepares the consolidated annual financial statements of the largest entity group), standalone entities that are not part of a group, medium-sized and large subsidiaries (controlled by an ultimate parent company that is not covered by these regulations), and Romanian branches of entities that are not subject to the laws of an EU member state, with a consolidated net turnover exceeding RON 3.7 billion at the balance sheet date (equivalent to EUR 747,474,740 using the exchange rate published in the *Official Journal of the European Union* on 21 December 2021), for each of the last two financial years, as reflected in their consolidated annual financial statements. The report must be made publicly available on the reporting company’s website, free of charge and in the Romanian language. At a future date, all reports will be available via a public registry, and the company website may instead include a link to the registry. Form S1079 was published by the Romanian tax authorities during 2025 to assist taxpayers to upload the report on a public registry.

Exit tax: Under Romania’s exit taxation rules, capital gains derived from the disposal of assets, a change in tax residence, or the transfer of a business carried out through a PE to another jurisdiction are subject to a 16% exit tax when the taxation rights concerning those assets are no longer allocated to Romania. If the transfer is made to a European Economic Area member state, the exit tax may be paid in installments over a five-year period if certain conditions are met.

General anti-avoidance rule: See “Economic substance requirements,” above.

Value added tax

Rates	
Standard rate	21%
Reduced rate	11%

Taxable transactions: All transactions falling within the scope of VAT and carried out for remuneration by a taxable person in the course of an economic activity are considered taxable transactions. These include:

- Supplies of goods or services performed in Romania by a taxable person;
- Intra-Community acquisitions of goods from another EU member state;
- Acquisitions of general business-to-business (B2B) services taxable in Romania, from EU and non-EU suppliers; and
- Imports of goods into Romania.

Rates: The standard 21% VAT rate (increased from 19% as from 1 August 2025) applies to all supplies of goods or services, unless a specific measure provides for the reduced rate or for a VAT exemption. A single reduced rate of 11% replaced the reduced rates of 5% and 9% as from 1 August 2025. There is no zero rate.

The following are examples of supplies of goods and services taxable at the 11% reduced VAT rate:

- Medicines for human use;
- Food and beverages, intended for human and animal consumption, including live animals and birds from domestic species, whose combined nomenclature (CN) codes are established by the methodological norms, except for:
 - Alcoholic beverages;
 - Non-alcoholic beverages classified under CN 2202;
 - Food products with added sugar, having a total sugar content of at least 10g per 100g of product, other than powdered milk intended for newborns, infants, and young children; and
 - Food supplements, classified as such according to the relevant legislation;
- Water for irrigation in agriculture;
- Water supply and sewerage services;
- Fertilizers, seeds, and other agricultural products intended for sowing or planting, as well as supplies of services, such as those specifically used in the agricultural sector;
- Supplies of chemical fertilizers and chemical pesticides normally used in agricultural production and confirmed to qualify as such in accordance with the order issued by the ministers of finance, and agriculture and rural development;
- Books, newspapers, magazines, and school textbooks both in hard copy or electronic (except those intended exclusively for marketing purposes and those that entirely or mainly comprise video or musical content);
- Access to museums, castles, zoos, and botanical gardens;
- Certain types of firewood;
- Supplies of thermal energy in the cold season to the public, hospitals, nongovernmental and religious organizations, and suppliers of social services;
- Supplies of housing for social policy reasons, if certain conditions are met;
- Hotel and similar accommodation, including the rental of land for camping; and
- Restaurant and catering services (excluding some beverages).

The following are examples of goods and services that are VAT exempt with credit under specific rules:

- Exports;
- Transport services and other services directly linked to exports;
- International passenger transport; and
- Intra-Community supplies of goods.

The following are examples of VAT-exempt supplies without credit:

- Specific banking and financial operations;
- Insurance and reinsurance services;
- Medical services;
- Educational services; and
- Sale or rental of immovable property (land or buildings); however, the supplier may opt to treat the supply as subject to VAT, provided that a notification is submitted to the Romanian tax authorities.

Certain imports by taxable persons registered for VAT purposes in Romania benefit from the VAT reverse charge mechanism, under which the related import VAT is not paid on import but only reported in the importer's VAT return as both output and input VAT, with no impact on cashflow. The goods to which the VAT reverse charge mechanism applies at the time of import are wood, grain, mobile phones, electronic devices, game consoles, tablets, computers, and laptops.

Domestic supplies of such goods, and the supply of electricity and natural gas, waste, green certificates, gold and immovable property (for which the VAT taxable regime has been opted) also are subject to the VAT reverse charge mechanism, provided that both the supplier and the purchaser are VAT registered in Romania.

The reverse charge mechanism also applies to VAT payable on imports by economic operators that (i) hold a VAT deferral certificate, (ii) are VAT registered in Romania and are authorized to and do submit the import customs declarations via the centralized customs procedure, or (iii) are authorized to and do carry out the imports by submitting a customs declaration in the form of an entry in the declarant's records.

Registration: The VAT registration threshold is turnover of RON 395,000 per year and applies only to taxable persons established in Romania. Taxable persons having the seat of their economic activity in Romania with an annual turnover not exceeding the threshold are eligible for a special VAT exemption regime. However, they may opt to register for VAT purposes. A taxable person having the seat of its economic activity outside Romania must register for VAT purposes if it undertakes any of a range of activities, such as the following:

- Intra-Community acquisitions of goods in Romania;
- Intra-Community supplies of goods in Romania;
- Transfers of its own goods to Romania;
- Dispatch of goods to Romania from another EU member state for processing, with the finished products not returning to the EU member state of dispatch;
- Distance sales under certain conditions; or
- Exports.

Filing and payment: As a general rule, VAT returns must be submitted, and any related VAT paid, monthly. Quarterly payments and filing are available for taxable persons with an annual turnover of less than EUR 100,000 that performed no intra-Community acquisitions. VAT returns may be submitted semiannually or annually under certain conditions and with the prior approval of the relevant tax authorities.

The deadline for the submission of the VAT return is the 25th day of the month following the end of the return period. If the deadline falls on a nonworking day or legal holiday, the deadline is deferred until the next working day.

An optional VAT cash accounting system is available, under which local suppliers established in Romania with an annual turnover below RON 5 million (increasing to RON 5.5 million as from 2027) are required to collect VAT only when their invoices are paid.

VAT consolidation between qualifying related parties is allowed (under certain conditions).

SAF-T (standard audit file) reporting is being implemented progressively in Romania and, for 2026, is mandatory for large, medium-sized, and small taxpayers. The Romanian SAF-T schema follows the OECD 2.0 version requiring detailed information regarding clients, suppliers, accounting entries, the tax treatment of transactions, stock movements, and payments. Some of the information must be submitted regularly (monthly or quarterly) throughout the year; other information must be provided annually or only on demand. In 2026, SAF-T reporting also is mandatory for nonresident entities with a Romanian VAT registration number, but in a more simplified schema than the one applicable to local Romanian entities. For nonresident entities only, information regarding the sales and purchases invoices, products, tax treatment, and unit of measure must be reported.

Other

Electronic invoicing

An electronic invoicing system, the RO e-Factura system, is being implemented in Romania.

All Romanian established entities must transmit and receive their invoices related to their B2B transactions electronically via the RO e-Factura system, with only the original electronic invoice (i.e., the xml invoice) being valid. Registering invoices other than in electronic format in the accounting records is subject to penalties at the level of the supplier and/or beneficiary. Failure to comply with the transmission deadline of five working days from the invoice issuance date is subject to penalties at the level of the supplier.

Romanian established entities are required to transmit in electronic format their supply invoices related to business-to-government transactions and to report electronically their supply invoices related to business-to-consumer transactions. The transmission/reporting deadline is five working days from the invoice issuance date and failure to comply with the deadline is subject to penalties at the level of the supplier.

Nonresident entities with a Romanian VAT registration number performing B2B transactions in Romania, for which the place of supply is Romania, must report electronically the related supply invoice through the RO e-Factura system within five working days from the invoice issuance date. Failure to comply with the reporting deadline is subject to penalties.

As from January 2026, taxable persons established in Romania are required to report, through the RO e-Factura system, the invoices issued for supplies of goods or services with the place of supply in Romania to taxable persons that are not established in Romania but are VAT registered in Romania. However, the following exceptions apply:

- Fiscal receipts that qualify as simplified invoices; and
- Intra-Community supplies of goods where the customer provides a VAT number issued by another EU member state.

RO e-Transport system

The RO e-Transport system monitors in real time the movement of goods with high fiscal risk within the Romanian territory and is mandatory for all international transport (i.e., imports, exports, and intra-Community transactions), irrespective of the type of good.

Other taxes on corporations and individuals

Unless otherwise stated, the taxes in this section apply both to companies and individuals and are imposed at the national level.

Social contributions and payroll taxes: An employer is required to pay an employment insurance contribution of 2.25% of the employee's total gross salary. In addition, in certain cases, the employer is required to pay a pension contribution at a rate of 4% or 8% of the gross salary.

Contributions also are due by the employee, although the compliance procedure remains the responsibility of the employer. The mandatory employee contributions are a pension contribution of 25% and a health insurance contribution of 10%, which are deductible for income tax purposes.

All other types of taxable private income (e.g., income from freelance activities, investment, rental) are subject to a health insurance contribution of 10% if the total amount of income derived from all these types of activities is at least six times the national minimum salary. The annual base for computing the health insurance contribution due is:

- Six times the gross national minimum salary where total income is at least six times but less than 12 times the gross national minimum salary;
- 12 times the gross national minimum salary where total income is at least 12 times but less than 24 times the gross national minimum salary; and
- 24 times the gross national minimum salary where total income is at least 24 times the gross national minimum salary.

A 25% pension contribution applies on income from independent activities where the net income represents at least 12 times the national minimum salary. The computation base for the pension contribution is the "insured income" (an amount chosen by the individual, to which the pension contribution rate is applied), which cannot be less than:

- 12 times the gross national minimum salary where the insured income is at least 12 times but less than 24 times the gross national minimum salary; and
- 24 times the gross national minimum salary where the insured income is at least 24 times the gross national minimum salary.

Capital duty: There is no capital duty.

Real property tax: Under Romanian tax legislation, specific taxes paid to local budgets are in place for real estate properties:

- Building tax applies based on the purpose for which the building is used (residential, nonresidential, or mixed). The tax rate is applied to the taxable value of the building and ranges from 0.08% to 0.2% for residential buildings and from 0.2% to 1.3% for nonresidential buildings.
- Land tax is computed considering certain criteria, such as number of square meters, value per square meter, the rank of the locality where the land is located, land category, etc.

Construction tax is payable at a rate of 1% on the value of the existing buildings in the taxpayer's balance sheet as at the previous 31 December, less the value of buildings subject to the building tax.

Transfer tax: There is no transfer tax.

Stamp duty: There is no stamp duty.

Net wealth/net worth tax: There is no net wealth tax or net worth tax.

Inheritance/estate tax: No tax applies where property is passed during the first two years after death; otherwise, a 1% tax is imposed on the value of the property.

Other

Tax on high-value movable and immovable assets

A special tax applies on high-value movable and immovable assets, as follows:

- Individuals who own (either in sole or joint names) residential buildings located in Romania with an aggregate taxable value exceeding RON 2.5 million are subject to tax at 0.9% on the excess (increased from 0.3% as from 1 January 2026). The tax must be declared and paid by 30 September during the relevant year.
- Individuals and legal entities owning cars registered in Romania with an individual purchase price exceeding RON 375,000 are subject to tax at 0.9% tax on the excess (increased from 0.3% as from 1 January 2026). The tax is payable for five years starting with the fiscal year in which the car is purchased. The tax is payable on 31 December of the relevant year.

Other taxes

Depending on the nature of the taxpayer's business, other taxes may apply (e.g., specific taxes for the energy sector, the food service sector, and the pharmaceutical industry).

Certain environmental taxes are payable to the environmental fund authorities.

Tax treaties: Romania has concluded more than 90 tax treaties. The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS MLI) entered into force for Romania on 1 June 2022.

Romania signed the Multilateral Convention to Facilitate the Implementation of the Pillar Two Subject to Tax Rule (STTR MLI) on 19 September 2024.

For information on Romania's tax treaty network, visit [Deloitte International Tax Source](#).

Tax authorities: National Agency for Tax Administration

Contact us:

Bogdan Barbu

bbarbu@deloittece.com

Alexandra Smedoiu

asmedoiu@deloittece.com

Vlad Boeriu

vboeriu@deloittece.com

Raluca Bontaș

rbontas@deloittece.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides leading professional services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets and enable clients to transform and thrive. Building on its 180+-year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s over 470,000 people worldwide work together every day to make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.

© 2026. For information, contact Deloitte Global.