

Reduced specific excise duties now available to beer manufacturers with operating production capacities of over 200,000 hl/year

Services

- VAT, customs and excise duties review and planning aimed at enhancing the VAT cashflow;
- VAT review and health checks aimed at identifying exposure to VAT risks and potential penalties;
- Advice on VAT treatment of specific transactions;
- VAT assistance during tax audits conducted by the tax authorities;
- Advice on VAT, customs and excise duties planning strategies;
- VAT implications arising from business restructuring (e.g. mergers and acquisitions, transfer pricing policies, commissionaire structures);
- VAT registration in Romania and other EU countries, as well as compliance services;
- Preparation and filing of VAT refund claims.

Law no. 343/2009 (published in Official Gazette no. 779/13.11.2009) has approved the amendments made by Government Emergency Ordinance no. 200 (4.12.2008) to the Fiscal Code (Law 571/2003).

From 2010 beer manufacturers which have operating production capacities of over 200,000 hl/year, but which estimate an annual production lower than 200,000 hl/year, will benefit from reduced specific excise duties (EUR 0.43/hl/1 Plato degree instead of EUR 0.748 / hl/1 Plato degree) provided they notify the relevant tax authority no later than 15 January of each year.

To benefit from these provisions, beer manufacturers must meet the cumulative conditions of art. 169 para. (4) of the Fiscal Code, namely: to be economic operators which are, legally and economically, independent from any other beer manufacturers, to use separate production equipment from that of other breweries; to use production facilities which are separate from those of any other beer manufacturer and not to operate under the license of another beer manufacturer.

If production exceeds 200,000 hl/year, manufacturers must pay the difference between the specific excise duty and the reduced specific excise duty as well as related late payment penalties. Amending tax returns must be filed for each fiscal period in which the manufacturer declared and paid reduced specific excise duties.

These obligations must be fulfilled before the 25th of the month following the one in which the threshold was exceeded.

Beer manufacturers which meet the above mentioned conditions and which estimate that their production will be lower than 200,000 hl/year for 2009 (even though their production capacity exceeds 200,000 hl/year) may benefit from reduced specific excise duties provided they notify the relevant tax authority within 15 days of the date of entry into force of Law 343/2009, i.e. 30 November 2009. For excise duties already paid this year, manufacturers may request the reimbursement of the difference between the specific excise duties paid and the reduced specific excise duties.

The same benefits apply to beer manufacturers that produced less than 200,000 hl/year in 2008 (while their production capacity exceeded 200,000 hl/year) as long as the request for refund is submitted within 15 days of the entry into force of Law 343/2009, i.e. 30 November 2009.

About us

Our team consists of more than 100 Romanian and international consultants, with command of local and international legislation, organized to be able to react at short notice to requests for tax assistance covering a wide range of issues.

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