

Draft legislation to require monthly submission of Return 394 and to amend its content

Services

- Reviewing the VAT implications for each line of business and identifying opportunities for improving VAT cashflows;
- Reviewing the VAT implications of the operations carried out and the VAT position with a view to identifying potential risks and penalties that might be incurred;
- Assistance with respect to the VAT treatment of specific operations;
- Assistance during VAT audits;
- Assistance with respect to strategies for VAT planning;
- Assessing the VAT implications of restructuring operations (e.g. mergers and acquisitions, transfer pricing, commissioner structures);
- Assistance with registration for VAT purposes in other EU Member States, as well as related VAT compliance services;
- Assistance with preparing and submitting VAT refund claims both in Romania and in other EU Member States, as well as in non-EU countries.

The National Agency for Fiscal Administration (ANAF) has published draft legislation on its website (www.anaf.ro) to amend Order 702/2007 issued by the President of ANAF regarding the declaration of local supplies and acquisitions performed by VAT registered persons. Under the new draft legislation, taxpayers would be required to submit Return 394 monthly. Amendments have also been made to the content of Return 394.

If the draft is passed into law as expected, the change will take effect from 1 January 2010. The monthly VAT returns must be filed no later than the 25th of the month following the month they relate to. So the first monthly Return 394 will cover January 2010 and must be submitted no later than 25 February 2010.

We will issue further information once this draft legislation is published in the Official Gazette.

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.

Contact details

Ramona Jurubiță

Partner, Head of Indirect Taxation Services

rjurubita@kpmg.com

Alin Negrescu

Manager, Indirect Taxation Services

vnegrescu@kpmg.com

Raluca Cristea

Assistant Manager, Indirect Taxation Services

mcristea@kpmg.com

Antonia Gheorghe

Assistant Manager, Indirect Taxation Services

antoniagheorghe@kpmg.com

KPMG Romania S.R.L.

Victoria Business Park,
DN1 69-71 Bucuresti-
Ploiesti Str., 1st district,
013685Bucharest,
Romania
P.O. Box 18 – 191

Tel: +40 741 800 800

Fax: +40 741 800 700

Internet: www.kpmg.ro

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. KPMG and the KPMG logo are registered trademarks of KPMG International, a Swiss cooperative.

© 2009 KPMG Romania S.R.L., a Romanian limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. All rights reserved. Printed in Romania.