

Indirect Taxnewsflash

KPMG IN ROMANIA

Changes to the guidelines for value added tax records

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On 6 May 2008, the Ministry of Economy and Finance (MEF) issued Order no. 1372/2008 regarding the guidelines for value added tax records.

The Ministry of Economy and Finance issues guidelines on the completion of Value Added Tax (VAT) records, in the form of model records, which are published in the Official Gazette. Order of the Ministry of Economy and Finances no. 1372/2008 has updated these models to reflect legislative changes in 2007.

The new guidelines reflect the current application Norms of Title VI of the Fiscal Code ("Value Added Tax"), which specify both the records and documents which taxable persons are obliged to keep, and the minimum elements necessary when preparing them. These comprise:

- accounting records related to the economic activity of the taxable person (sales/purchases records)
- the second copy of invoices or other documents related to economic activity which have been issued by the taxpayer
- invoices or other documents related to trade activity which have been received
- customs documents and, as the case may be, documents regarding excises related to imports, exports, intra-community deliveries and acquisitions carried out by that person
- a register regarding non-transfer of goods
- a register of movable goods received from another EU Member State for the purpose of giving a specialist opinion or for work carried out on such goods in Romania.

To reflect the changes made during 2007 to the VAT return, the Order includes new models to serve as guidelines for the categories of ledgers and registers which must be held by VAT taxable persons. These comprise:

- Sales ledger
- Purchases ledger
- The register for non-transfers of goods
- The register for movable goods received for the purpose of giving a specialist opinion or for works performed on such goods.

These documents can be prepared manually or electronically.

A new section has been added to the model for the *Sales Ledger* in order to distinguish goods and services for which the special regime covering tourist agencies, second-hand goods, works of art, collection objects and antiquities has been applied.

The headings of the *Purchases Ledger* have been reorganized to reflect the similar VAT treatment of several operations. Thus, the acquisition of goods and services from Romania and the imports of taxable goods are only distinguished through the rate of taxation (9 or 19%) and not through the nature/purpose of the goods/services as previously. Within the *intra-community acquisitions* section, operations have been regrouped into taxable, exempt and not taxable. Moreover, a distinction is made between goods which are taxable according to the provisions of article 150 of the Fiscal Code ("Payers of value added tax for taxable operations performed in Romania") and those for which the beneficiary is taxable according to the simplification measures mechanism.

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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