

Tax & Legal Alert

ROMANIA 27 August 2009

Amendments to the compliance procedure for unemployment insurance budget liabilities

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Ministry of Labour, Family and Social Protection Order no. 1.454/2009 (the "Order") has been published, amending the procedure for the monthly declaration of persons who are insured in the unemployment fund and of unemployment insurance budget liabilities.

The Order introduces new sections so that employers who have benefited from the provisions of Government Emergency Ordinance no. 28/2009 published in the Official Gazette on 25 March 2009, can now declare:

- the number of hours and days of suspension during which both employers and employees are exempt from social security contributions,
- the national gross minimum wage with guaranteed payment, in force during the suspension period, used to determine the unemployment allowance.

The Order also specifies the computation method to calculate the number of days of suspension for which exemption is granted, taking into account the number of working hours stated in the employment contract. For March 2009, exemption from social security contributions can be granted for a maximum of five days of suspension.

According to the Order, non-resident taxpayers, legal or natural persons with no business premises or domicile / residence in Romania having employees subject to Romanian social security legislation, can now submit the Statement to the Regional Employment Agency in Bucharest.

Provisions of the Order become applicable starting with the

Declaration for August 2009.

Employers who have benefited from the Government Emergency Ordinance no. 28/2009 have to declare the number of suspended hours for which no unemployment insurance contributions were paid by filing a rectifying declaration within two months from the publication of the Order in the Official Gazette. If employers fail to observe this obligation, following the written request of regional employment agencies, they will be sanctioned under Law 76/2002 regarding the unemployment insurance system and employment stimulation.

[Source: Official Gazette no. 579 dated 20 August 2009]

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