

Tax & Legal Alert

ROMANIA 16 January 2009

Amendments to the Norms concerning the assessment, withholding and payment of capital gains tax related to the transfer of securities by individuals

Contacts:

Peter de Ruiter

Partner

E-mail: Peter.deRuiter@ro.pwc.com

Mihaela Mitroi

Partner

E-mail: Mihaela.Mitroi@ro.pwc.com

Ionut Simion

Partner

E-mail: Ionut.Simion@ro.pwc.com

Daniel Anghel

Partner

E-mail: Daniel.Anghel@ro.pwc.com

PricewaterhouseCoopers Romania

Opera Center

1-5 Costache Negri Street

5th District, Bucharest

Tel.: + 40212028500

Fax: + 40212028600

This Tax & Legal Alert is produced by
PricewaterhouseCoopers' tax department

Tax & Legal Alert

ROMANIA 16 January 2009

Legal Disclaimer: The material contained in this alert is provided for general information purposes only and does not contain a comprehensive analysis of each item described. Before taking (or not taking) any action, readers should seek professional advice specific to their situation. No liability is accepted for acts or omissions taken in reliance upon the contents of this alert.

© 2009 PricewaterhouseCoopers Romania. All rights reserved. "PricewaterhouseCoopers" refers to the Romanian firm of PricewaterhouseCoopers or, as the context requires, the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

Order no. 24 of the Ministry of Finance and of the National Romanian Securities Commission regarding the approval of the Norms for assessment, withholding and payment of capital gains tax related to the transfer of securities by individuals was published in the Official Gazette on 12 January 2009.

This order no. 24 repealed Instruction no.12/2005 concerning the assessment, withholding and payment of capital gains tax related to the transfer of securities by individuals and entered into force on the day of its publishing in the Official Gazette.

Among the modifications and completions brought to the Norms through this order we mention:

- A completion of the definition of "stock option plan" to include securities traded on an alternative transaction system;
- The introduction of new exceptions and special situations for which the norms clarify the method of determining the purchase price of securities;
- New clarifications regarding the procedures for trading securities and establishing the net capital gains for taxation purposes, especially concerning the obligations of the central depository and intermediaries.

The order mentions the obligation of intermediaries to submit a declaration regarding the assessment and withholding of capital gains tax for each income beneficiary. The deadline for filing this declaration is the final day of February of the current fiscal year for the previous fiscal year. [Source: Official Gazette, Part I, no. 24/12 January 2009]

For more information, please contact Peter de Ruiter, Mihaela Mitroi, Ionut Simion or Daniel Anghel.