

Tax & Legal Alert

ROMANIA 12 November 2007

Changes regarding the reimbursement of VAT to natural persons not residing in the European Union (EU)

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The Minister of Economy and Finance has issued Order no. 1692/19.10.2007 amending the provisions of Order no. 528/2004 regarding the reimbursement of VAT to natural persons residing outside the EU.

Natural persons residing outside the EU ("beneficiaries") who buy goods in Romania can benefit from the provisions of this order.

To benefit from the VAT refund, the main conditions to be fulfilled are:

- Goods have to be transported outside the EU within three months of their acquisition;
- The value of the goods purchased from a single store must exceed EUR 175 (including VAT);
- Goods must be purchased only from stores authorised to sell goods "Tax free";
- The beneficiaries must prove that the goods left the EU.

VAT is reimbursed by authorised stores or specialised units, based on the invoice for the goods and on the "Document for VAT reimbursement to buyers not residing in the EU" form, both stamped by the customs office where the goods leave the EU.

"Tax free" authorisations issued to stores under the former legislation remain valid until their expiry date.

[Source: Official Gazette of Romania no. 740/01.11.2007]

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