

Tax & Legal Alert

ROMANIA 5 July 2007

Higher excise duty rate on cigarettes

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

PricewaterhouseCoopers Romania
Opera Center, 1-5 Costache Negri
Street, 5th District, Bucharest
Tel: + 40212028500

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

The Romanian Government has issued Decision no. 667 regarding the increase in excise duty rate on cigarettes.

Starting with 1 July 2007 the excise duty rate is 20.89 EUR/1,000 cigarettes plus 27% levied on the maximum retail price.

Also, the Minister of Economy and Finance has released Order no. 590 setting the minimum excise duty rate on cigarettes during the period 1 July – 31 December 2007. As a result, the minimum excise duty rate goes up to 37.78 EUR/1,000 cigarettes from 31.25 EUR/1,000 cigarettes.

Tax & Legal Alert

ROMANIA 5 July 2007

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.

© 2007 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.

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