

# Tax & Legal Alert

ROMANIA 31 October 2007

## Amendments to the instructions for applying VAT exemptions for exports, similar operations and intra-community supplies of goods

### Contacts:

**Peter de Ruiter**

Partner

E-mail: [Peter.deRuiter@ro.pwc.com](mailto:Peter.deRuiter@ro.pwc.com)

**Mihaela Mitroi**

Partner

E-mail: [Mihaela.Mitroi@ro.pwc.com](mailto:Mihaela.Mitroi@ro.pwc.com)

**Ionut Simion**

Partner

E-mail: [Ionut.Simion@ro.pwc.com](mailto:Ionut.Simion@ro.pwc.com)

**PricewaterhouseCoopers Romania**

Opera Center

1-5 Costache Negri Street

5<sup>th</sup> District, Bucharest

Tel: + 40212028500

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

## Tax & Legal Alert

ROMANIA 31 October 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.

**PRICEWATERHOUSECOOPERS** 

The Minister of Economy and Finance has issued Order no. 1503/5.10.2007 amending the instructions for applying VAT exemptions for exports, similar operations and intra-community supplies of goods.

The most important amendments are:

- The documents for justifying the VAT exemption for exempt operations can, in certain situations, be presented to the tax authorities within 90 days of the invoice being issued;
- If the documents for justifying the exempt operations are obtained after the tax inspection, but within the prescribed term, the taxable person may ask for re-inspection of the period already audited.
- The VAT exemption for exports can also be substantiated with: the export accompaniment document (EAD), certified by the customs office where the goods leave community territory, or electronic confirmation sent by the customs office from where the goods leave the community territory. These documents can be presented instead of the export customs declaration;
- No VAT exemption is granted for goods supplied for the construction of sea going vessels and aircraft, except for some specific situations provided by the VAT law;

- Specific provisions are introduced for goods placed under the inward processing regime prior to 1 January 2007 and transported after this date to other Member States. Thus, the transport of compensating goods, comprising both EU and non-EU originating raw materials, is not considered an intra-community supply of goods, and this movement is subject to the customs legislation in force (i.e. customs transit).

[Source: Official Gazette of Romania no. 697/16.10.2007]

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