



Tax Flash Tax Measures

The Tax Measure Strategy issued by the National Agency of Tax Administration applicable during the next three years for the elimination of tax avoidance

The National Agency for Tax Administration has issued the Tax measures Strategy applicable during the next three years containing measures for exuding the tax evasion, as well as any other forms of evasion from reporting and payment of tax. The measures aim for tax control efficiency increment, new methods and domains of control, and improvement of the tax evasion legislation.

The most important strategic objectives and applicable measures were exposed as follows:

1. Increasing the preventive function of tax control:

- Tracking the tax payers not working at the tax domicile declared and assert them as inactive

2. The tax inspection efficiency improvement:

- Checking with priority the taxpayers with high tax risk, based on perfected risk analysis.
- Widening the control methods by the development of electronic and indirect control.
- The development of new areas of control: the e commerce.
- Issuance with the help of the web of tax inspection reports and Monthly functioning report.
- The increase of tax control on large taxpayers.
- Performing check ups to commercial entities registering on going VAT returns with negative amounts without reimbursement request.
- Performing check ups to entities registering in the last 3-4 years fiscal losses.
- Performing tax controls on individuals, especially individual persons who have performed real estate transactions within 2006 up to 2008.

3. Improvement of the tax control's quality

- Minimizing the gained contestations for tax inspections by taxpayers, as an average in the total control act contested.

4. The Transfer Pricing Control

- Proceeding to an analysis on the last 3 tax years identifying the branches of multinational companies realizing structural losses and including them into the tax inspection activity plan.

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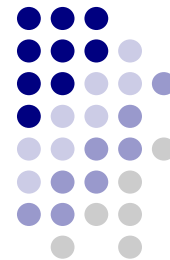
Our areas of practice:

- Tax Advisory Services
- Accountancy & Payroll
- Audit & Assurance
- Legal Services
- Financial Advisory
- International Executive Services & Immigration
- HR Services

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- Analyzing during tax inspections, the transfer prices and checking the compliance on arm's length.
- Planning ahead a methodology for identifying the suspect transactions between affiliated parties and proceeding to the control of transfer pricing documentation.

5. Fighting against intra-community “carousel” fraud

- Implementing several detection criteria of “waiting operators” –“ghost companies” and detection of “carousel” type fraud in its incipient stage.

6. Development of tax information activity

- Improvement of risk analysis over the taxpayers submitting the 394 – Informative Statement and 390 –Recapitulative Statement.
- Development of protocol projects for collaboration on the data and information exchange programs with other institutions, when data hold by NAFA do not suffice.

7. Increasing the presence of Fraud Squad agents in high tax risks places

- Monitoring of intra-community acquisitions and extension of operative controls at the involved companies in intra-community operations.
- Performing innopinated controls, with priority on the companies producing and trading excisable products.
- Innopinated controls on public roads regarding the ownership and transportation documents of merchandise.
- Monitoring the import of alimentary or industrial consumable goods.
- Corelation of the intra-operation informatics system of the Fraud Squad with tax administration system, as well as connection with data bases of other institutions or authorities.
- The increase of border control, especially with the Nord –Est border – the extern border of UE.
- The protection of the custom national territory through the elimination of the illicit traffic of drugs, forerunner, adulterated and pirate merchandise, as well as the illegal traffic and commercialization of cigarettes and tobacco products.
- The upgrade and implementation of measures regarding the supervision of excisable products and costum operations.
- The upgrade of the implemented system for supervision in the excisable products movement (EMCS– RO).
- The increase of the control actions on the field and the increase of the control actions in traffic.

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