

Translation from Romanian

**INSTRUCTIONS
for filling in the form (300) "Value Added Tax Return"**

Form (300) "Value Added Tax Return" is being filled in by the taxable persons registered for VAT purposes according to Article 153 of the Fiscal Code.

The taxable persons who manage the accountancy, according to the law, for the transactions performed based on a joint venture agreement, declare also the data and the information on the value added tax resulted from such operations.

Form (300) "Value Added Tax Return" is being submitted to the competent fiscal body, within the following terms:

a) monthly, until the date of 25, inclusively, of the next month following the month for which the return is submitted, by the taxable person for whom the fiscal period is the calendar month, according to the provisions of art. 156¹ of the Fiscal Code;

a) quarterly, until the date of 25, inclusively, of the first month of the next quarter following the quarter for which the return is submitted, by the taxable persons for whom the fiscal period is the calendar quarter, according to the provisions of art. 156¹ of the Fiscal Code;

a) half-yearly, until the date of 25, inclusively, of the first month of the next half year following the half year for which the return is submitted, by the taxable persons for whom the fiscal body has approved as fiscal period the calendar half year, according to the provisions of art. 156¹ par. (7) of the Fiscal Code and of Article 80 par. (2) of the Methodological Norms;

a) yearly, until the date of 25 January inclusively of the next year following the year for which the return is submitted, by the taxable persons provided in Article 80 par. (4) of the Methodological Norms and by the taxable persons for which the competent fiscal body has approved the calendar year as fiscal period, according to the provisions of Article 156 par. (7) of the Fiscal Code and of article 80 par. (2) of the Methodological Norms;

e) until the date of 25 of the third month of the calendar quarter, for the first two months of the same calendar quarter, by the taxable persons who use the quarter as fiscal period and who perform an intra-Community procurement chargeable in Romania, if the chargeability of the tax afferent to the intra-Community procurement occurs in the second month of the respective quarter. The return shall be submitted for the second month of the quarter, but it shall also include the operations performed during the first month of the quarter. In case the chargeability of tax afferent to the intra-Community procurement occurs during the first or the third month of the calendar quarter, the provisions of letter a) of this paragraph shall be applied accordingly.

The taxable persons registered for VAT purposes, according to art. 153 of the Fiscal Code have the obligation to submit the form (300) "Value Added Tax Return", by the codification of information by means of the bar code. The following are excepted from this provision:

a) the large taxpayers for the returns that are submitted by means of the National Electronic System, according to the law;

b) the taxpayers who submit the tax returns by electronic means of remote transmission, on the website of the Ministry of Public Finance, the portal of the National Agency for Fiscal Administration.

The forms are submitted on paper format, signed and stamped according to the law, at the competent fiscal body. The form is drafted in two counterparts:

- one counterpart is submitted to the competent fiscal body;
- one counterpart shall be kept by the taxpayer;

The paper format is achieved by using the assistance program (DECLMF), elaborated by the National Agency for Fiscal Administration. The assistance program is made available for free to the taxpayers by the fiscal units or it may be downloaded from the website of the Ministry of Public Finance, the portal of the National Agency for Fiscal Administration..

ATTENTION! The following shall not be included in the return:

- the value added tax from the enforcement invoices, by the persons duly authorized to perform the sale of the goods that are subject to enforcement;
- the differences of value added tax to be paid, found by the tax inspection bodies, for which the inclusion into the return is not being ruled;
- the documents that are not recorded in the journals for purchases or sales, found by the tax inspection bodies;
- the value added tax for which a payment benefit is in progress.

The filling in of the form is done as it follows:

The reporting period

"The reporting period" may be the calendar month, the calendar quarter, the calendar half year of the calendar year, under the conditions of Article 151¹ of the Fiscal Code and of Article 80 par. (2) and (4) of the Methodological Norms.

The number of the reporting period is written with Arabic numerals (for instance: 01 for January, 03 for 1st quarter, 06 1st half year, 12 for year).

The year for which the return is filled in is written with Arabic numerals, with 4 figures (for instance, 2010).

The section "Data for the identification of the taxable person"

The box "Tax Identification Code" is being filled in as it follows:

- the legal persons taxpayers, except the traders, the associations or other entities without legal personality write the tax registration code;
- the traders, including the branches of the traders who have the trade headquarters abroad, write the sole registration code;
- the natural persons taxpayers who perform economic activities independently or carry out free professions write the tax registration code;
- the natural persons taxpayers except the natural persons who perform economic activities independently or carry out free professions write the registration code for VAT purposes, assigned according to Article 153 of the Fiscal Code;
- the taxable persons who are not established in Romania, according to Article 125¹ par. 2 of the Fiscal Code, and who are registered for VAT purposes in Romania, according to Article 153 of the same normative act, write the VAT registration code .

The fiscal representative appointed by a taxable person residing abroad writes the VAT registration code assigned to the foreign taxable person, which is different from the VAT registration code assigned for the representative's own activity.

Writing the figures into the box is done using the "align right" option.

The box "Name" is being filled in with the name of the legal person, of the association or of the entity without legal personality or with the name and the forename of the natural person, as the case may be.

In case of the taxable persons residing abroad who have appointed a fiscal representative, in the box "Name" they write the information of identification written on the fiscal registration certificate of the representative (the name of the taxable person residing abroad, fiscally represented by the fiscal representative appointed according to the law).

The box "Fiscal Domicile" is being filled in with the data regarding the address of the taxpayer's fiscal domicile.

In case of the taxable persons residing abroad, registered directly for VAT purposes in Romania, there must be written the address in Romania to which the records and the documents that must be kept may be analysed, according to the provisions of the Article 66 par. (7) letter a) of the Methodological Norms.

In case of the taxable persons residing abroad, who have appointed a fiscal representative, the box "Fiscal Domicile", the fiscal domicile of the fiscal representative shall be written.

In case of the taxable persons who have the registered office outside Romania and who reside in Romania by one or more fixed headquarters without legal personality, according to Article 125¹ par. (2) letter b) of the Fiscal Code into the box "Fiscal Domicile" is written into the fiscal domicile of the fixed headquarter appointed to submit the tax return and to be liable for all the obligations for VAT purposes, according to Article 66 par. (5) of the Methodological Norms.

Into the column "Return pro rata", the pro rata determined according to Article 147 of the Fiscal Code shall be written.

The section "Collected Value Added Tax"

Row 1 - there is written the information taken from the sales journal*), regarding the tax base for the intra-Community deliveries of goods, exempted according to Article 143 par. (2) letter a) and d) of the Fiscal Code, and for the intra-Community deliveries of goods with T code, performed within a certain triangular transaction by the re-seller purchaser, provided at Article 132¹ par. (5) of the Fiscal Code, for which the tax chargeability occurs during the reporting period **), including the amounts in the invoices for encashment of partial advance payments for the intra-Community deliveries of exempted goods. The adjustments of the tax base provided at Article 138 of the Fiscal Code are also filled in when they occur subsequently, in another period than that in which the chargeability occurred for the respective intra-Community deliveries.

Row 2 - there are written the subsequent adjustments due to certain events who determine the modification of the data declared at row 1 of the return during another period, such as: the price modification generated by other situations than

those provided at Article 138 of the Fiscal Code, the omission to declare the intra-Community delivery during the period in which the chargeability occurs etc.

Row 3 - there is written the information taken from the sales journal*), regarding the tax base for the intra-Community deliveries of goods/service supply, which are not chargeable in Romania because they have no determined place for delivery/supply, according to Article 132 and 133 of the Fiscal Code, in Romania, as well as for the intra-Community deliveries of goods, exempted according to Article 143 par. (2) letter b) and c) of the Fiscal Code, for which the tax chargeability occurs during the reporting period**), including the amounts in the invoices for the encashment of partial advance payments for the intra-Community deliveries of exempted goods. Also, there are written any subsequent adjustments, except those regarding the intra-Community services which are filled in on the rows 4 and 8.

Row 3.1 - there is written the information taken from the sales journal*), regarding the tax base for the services for which the provisions of Article 133 par. (2) of the Fiscal Code, other than those exempted of VAT in the Member State where they are taxable, provided by taxable persons who are not residing in Romania, but who are residing in the Community, for which the chargeability occurs during the reporting period.

Row 4 - there are written the subsequent adjustments due to certain events who determine the modification of the data declared at row 3.1 of the return during another period, such as: the price modification generated by other situations than those provided at Article 138 of the Fiscal Code, the omission to declare the respective transactions during the period in which the chargeability occurs etc.

Row 5 - there is written the information taken from the purchase journal*), regarding the taxation base for the intra-Community procurements of goods taxable in Romania, as well as the tax base for the procurement of goods performed by the beneficiary of a subsequent delivery performed within a triangular transaction, for which he is liable to pay the tax according to Article 150 par. (4) of the Fiscal Code, and the afferent value added tax for which the tax chargeability occurs during the reporting period **), including the amounts in the invoices received for partial advance payments for the intra-Community procurements of goods. The adjustments of the tax base provided at Article 138 of the Fiscal Code are also filled in when they occur subsequently, during another period than that in which the chargeability occurred for the respective intra-Community procurements.

Row 6 - there are filled in the intra-Community procurements of goods whose chargeability occurred during another period, but the respective procurement was not declared, the adjustments regarding the intra-Community procurements declared during the prior periods and due to certain events which determine the modification of the initially declared data, such as:

- the price modification for the goods that were declared as intra-Community procurement based on self billing invoice, according to the law, subsequently to the invoice received from the supplier having a higher or a lower price;

- the declaration of the intra-Community procurement based on self billing invoice, according to the law, during a subsequent period, upon the receipt of the invoice from the supplier, by stating that the chargeability of the intra-Community procurement occurred during a previous period;

- the modification of the taxable base of the intra-Community procurement and of the afferent tax as a result of the modification of the applicable reference exchange rate, due to certain disparities between the invoice receipt date from the supplier and the declaration date of the intra-Community procurement.

- any other events liable to modify the initially declared data, except the adjustments of the tax base provided by Article 138 of the Fiscal Code when they occur subsequently, during another period than that in which the chargeability occurred for the respective intra-Community procurements.

Row 7 - there is written the information taken from the purchase journal*), regarding the tax base and the value added tax for the procurements of goods and services for which the beneficiary in Romania is a person liable to pay VAT according to Article 150 par. (2) - (6) and for the imports of goods to which the provisions of Article 157 par. (4) and (5) of the Fiscal code are applicable, whose chargeability occurs during the reporting period. Also, there are written any subsequent adjustments, except those regarding the intra-Community services which are filled in on the rows 4 and 8.

Row 7.1 - there is written the information taken from the purchase journal*), regarding the tax base and the value added tax for the procurements intra-Community services for which the beneficiary in Romania is a person liable to pay VAT according to Article 150 par. (2) of the Fiscal Code.

Row 7.1.1 - there is written the information taken from the purchase journal*), regarding the tax base and the value added tax for the procurements of intra-Community services for which the beneficiary in Romania is a person liable to pay VAT according to Article 150 par. (2) of the Fiscal Code, and the supplier is registered for VAT purposes in the member State from which the service supply is performed.

Row 8 - there are written the subsequent adjustments due to certain events who determine the modification of the data declared at row 7.1 of the return during another period, such as: the price modification generated by other situations than those provided at Article 138 of the Fiscal Code, the omission to declare the respective transactions during the period in which the chargeability occurs etc.

Row 9 - there is written the information taken from the purchase journal*), for transactions whose chargeability occurs during the reporting period regarding:

- the tax base and the value added tax collected for the deliveries of goods/the supply of taxable services with the quota of 19%, inclusive for the deliveries of goods and the supply of assimilated services;

- the tax base and the value added tax collected for the transactions subject to the special conditions of value added tax determined based on the calculation situations elaborated for this purpose.

Row 10 - there is written the information taken from the purchase journal*), for transactions whose chargeability occurs during the reporting period, regarding

the tax base and the value added tax collected for the deliveries of goods/the supply of taxable services with the quota of 9%, inclusive for the deliveries of goods and the supply of assimilated services.

Row 11 - there is written the information taken from the purchase journal*), for transactions whose chargeability occurs during the reporting period, regarding the tax base and the value added tax collected for the deliveries of goods taxable with the quota of 5%.

Row 12 - there is written the information taken from the purchase journal*), regarding the tax base and the value added tax for the procurements of goods and services, whose chargeability occurs during the reporting period, by the beneficiaries who apply the simplification measures provided at Article 160 of the Fiscal Code.

Row 13 - there is written the information taken from the sale journal*), for transactions whose chargeability occurs during the reporting period or during the previous fiscal periods, regarding:

- the tax base for the exempt deliveries of goods/the supply of services with right of deduction, provided at Article 143 par. (1), art. 144 and 144¹ of the Fiscal Code;

- the tax base for tax exempt transactions, according to Article 141 par. (2) letter. a) pt. 1 - 5 and letter b), of the Fiscal Code, in case the customer is established outside the European Union or when in case these transactions are directly linked with goods to be exported, as well as transactions of intermediaries acting in the name and on the behalf of another person, when they interfere in the performance of such transactions;

- the tax base for the exempt deliveries of goods/the supply of services for which the suppliers/providers apply the simplification measures provided at Article 160 of the Fiscal Code.

Row 14 - there is written the information taken from the sales journal*), regarding the tax base for the exempt deliveries of goods without right of deduction, provided at Article 141 of the Fiscal Code.

Row 15 - there are emphasized the amounts resulted from the correction of the information at row 9, 10, 11 and 12 of the previous returns, as well as any amounts resulted from the adjustments provided by the applicable legislation due to certain events which determine the modification of the originally declared data, such as: the granting of price discounts, the modification of the sale price, the omission to declare the transaction during the period in which the chargeability occurs etc.

The section "Deductible Value Added Tax"

Row 17 - there is written the same information declared at row 5.

Row 18 - there is written the same information declared at row 6.

Row 19 - there is written the same information declared at row 7.

Row 19.1 - there is written the same information declared at row 7.1.

Row 19.1.1 - there is written the same information declared at row 7.1.1.

Row 20 - there is written the same information declared at row 8.

Row 21 - there is written the information taken from the purchase journal*), regarding the tax base and the deductible value added tax for the procurements

in the country of goods and services taxable with the quota of 19%, as well as the tax base and the tax on importation which are not included into the provisions of Article 157 par. (4) and (5) of the Fiscal code for which the chargeability occurs during the reporting period.

Row 22 - there is written the information taken from the purchase journal*), regarding the tax base and the deductible value added tax for the procurements in the country of goods and services taxable with the quota of 9%, as well as the tax on importation which is not included into the provisions of Article 157 par. (4) and (5) of the Fiscal code for which the chargeability occurs during the reporting period.

Row 23 - there is written the information taken from the purchase journal*), regarding the tax base and the deductible value added tax for the procurements in the country of goods taxable with the quota of 5%.

Row 24 - there is written the information taken from the purchase journal*), regarding:

- the equivalent value of the procurements of goods and services whose delivery/supply was exempt from tax, duty free or subject to a special tax regime;
- the equivalent of the procurements of goods and services from other Member States for which there is no due value added tax in Romania;
- the equivalent value if the intra-Community procurements of exempt from tax or duty-free goods in Romania;
- the equivalent value if the intra-Community procurements of goods exempt from the value added tax;
- the equivalent value of the imports exempt from the value added tax.

The registration in the return of the amounts that are not included into the tax base is not compulsory.

Row 24.1 - there is written the information taken from the purchase journal*), regarding the procurements of intra-Community services exempt from the value added tax.

Row 26 - there is filled in the inferential value added tax for the procurements provided at row 17 - 23:

- according to Articles 145 and 145¹ of the Fiscal Code, in case of the persons who perform only operations with right of deduction. The tax for which it is not allowed the application of the right of deduction is not charged in this row according to Article 145¹ of the Fiscal Code;
- according to Article 145¹ and Article 147 of the Fiscal Code, in case of the taxable persons with mixed regime, respectively the tax taken from the columns of the purchase journal*), according to the procurements destination, such as:
 - the tax afferent to the procurements intended for the performance of operations with right of deduction, except the procurements for which the exercise of the right of deduction is not allowed according to Article 145¹ of the Fiscal Code;
 - the tax deduced pro rata for the procurements designed for the performance both of the operations with right of deduction, and of operations without right of deduction, except the procurements for which the exercise of the right of deduction is not allowed according to Article 145¹ of the Fiscal Code;

- the tax afferent to the procurements designed for the performance of the operations which do not allow the right of deduction is not mentioned in this row.

The total resulted on row 26 may be smaller or equal to the total on the rows 17 - 23, except those from rows 17.1, 19.1 and 19.1.1.

Row 27 - there are filled in the amounts representing the value added tax effectively paid back, pursuant to Article 143 par. (1) letter b) of the Fiscal Code, to the buyers who are natural persons and who are not residing in the European Community, by the taxable persons authorized in this respect, including the fee charged for the tax return activity.

Row 28 - there are filled in the amounts resulted from the information correction, as well as any amounts resulted from the adjustments provided by the applicable legislation due to certain events which determine the modification of the originally declared data, such as: the granting of price discounts by suppliers/providers, the modification of the sale price, the omission to declare the transaction during the period in which the chargeability occurs, for the information at rows 21, 22, 23 of the previous tax returns submitted to the fiscal bodies.

Row 29 - there are written the differences of value added tax resulted from the annual adjustment based on final pro rata, provided at Article 147 of the Fiscal Code, the differences of value added tax resulted from the adjustment of the errors found subsequently in the final pro rata calculation, according to Article 47 par. (5) of the Methodological Norms, as well as the difference of value added tax resulted from the adjustment of the deductible tax for the capital goods provided at Article 149 and 161 of the Fiscal Code, with the plus or minus sign, as the case may be.

The sections "Adjustments according to Article 147³ of the Fiscal Code"

Row 33 - there is written the amount provided at row 37 of the return made during the period prior to the reporting period, out of which the paid amounts are subtracted until the return submission date. The first return of value added tax, submitted after the publication in the Official Gazette of Romania, Part I, of the present instructions, there is taken the amount provided at row 34 of the return in the previous period, out of which the paid amounts are subtracted.

Row 35 - there is written the amount provided at row 38 out of the return in the period prior to the reporting period, for which the reimbursement neither was nor required, by ticking the appropriate box of the previous return. The first return of value added tax, submitted after the publication in the Official Gazette of Romania, Part I, of the present instructions, there is taken the amount provided at row 35 of the return in the previous period, for which the reimbursement was not required.

The section "Invoices issued after the fiscal inspection, according to Article 159 par. (3) of the Fiscal Code"

It is filled in with the information taken from the correction invoices issued to the beneficiaries after the tax inspection, such as it is provided at Article 159 par. (3) of the Fiscal Code, invoices which are pointed out in a separate column in the sales journal, according to Article 81¹ par. (4) of the Methodological Norms.

The column "Payment Registration Number" is not being filled in, according to the conditions provided by the Order of the Minister of Public Finances no.

2.235/2006 on the suspension and amendment of certain orders of the Minister of Public Finances in the field of tax administration, as further amended, and by the Order of the Minister of Public Finance no 3.421/2009 for the prorogation of the term provided by the Order of the Minister of Public Finances no 2.235/2006 on the suspension and the amendment of certain orders of the Minister of Public Finances in the field of fiscal activity.

The elaboration and the submission of amending returns for the correction of data in the previous returns are not allowed.

Regarding the intra-Community procurements of goods, in addition to the national legislation, the fiscal bodies and the taxpayers shall take into account Article 21 of the (EC) Regulation no. 1.777/2005 of the Council of 17 October 2005 regarding the determination of the measures for the application of the 77/388/EEC Directive regarding the joint system of value added tax.

*) Sales journals and purchase journals represent any journals, registers, records or other similar documents which the taxable persons have the obligation to draft according to the provisions of Article 156 of the Fiscal Code and of the Article 79 of the Methodological Norms for the application of the title VII "Value Added Tax" of the Fiscal Code, approved by the Government Decision no. 44/2004 for the approval of the Methodological Norms for the application of Law 571/2003 regarding the Fiscal Code, as further amended and completed. Models of sales and purchase journals are proposed by order of the Minister of Public Finances; the use of these models by the taxable persons is optional.

**) In order to avoid any discrepancy between the VAT-exempt intra-community deliveries of goods, which are included in the VAT return and in the summary statement drawn up for this kind of deliveries in the Member State of affiliation, and the intra-Community procurements underlined in the VAT return and the summary statement drawn up for intra-Community procurements, in the Member State of destination, the moment of chargeability for the intra-Community procurements occurs:

- in the 15th day of the month following the one in which the chargeable event occurred, respectively the delivery;
- on the invoice issuance date for the respective delivery to the person who buys the goods, inclusively in case of invoices for the encashment of partial advance payments, if the invoice is issued on the 15th day of the month following the month in which the chargeable event occurred, respectively the delivery.