

Romania

Summary of CbC Reporting and Transfer Pricing Documentation Rules

Country-by-Country Report

- Effective Date: Fiscal years beginning on or after January 1, 2016.
- Filing Threshold: Romanian MNEs with annual consolidated group revenue of at least €750 million.
- Local Filing: For fiscal years beginning on or after January 1, 2017, a Romanian entity may be required to file a CbC report if certain conditions are met.
- Information Reported: Generally consistent with OECD guidance.
- Language: Romanian.
- Forms/Filing Instructions:
 - CbC Notification of Reporting Entity: [Form R405](#) and [Order No. 2.273](#) of 19 August 2019 (Annex 3).
 - CbC Report: [Form R404](#) and [Order No. 2.273](#) of 19 August 2019 (Annex 1 and 2).
- Deadline for Filing Notification of Reporting Entity: By the last day of the reporting fiscal year (but no later than the tax return filing deadline of the Romanian constituent entity).
- Deadline for Filing CbC Report: Within 12 months after the last day of the reporting fiscal year.
- Penalties: Penalties ranging from RON 500 to RON 5,000 may apply for failure to submit the CbC notification of reporting entity. Penalties ranging from RON 30,000 to RON 100,000 may apply for failure to file the CbC report or for providing incomplete or incorrect data.
- Exchange of CbC Reports:
 - MCAA CbC – signed.
 - EU Directive 2016/881: enacted.

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Public Country-by-Country Report ([Order No. 2048/2022](#))

- Effective Date: Financial years beginning on or after January 1, 2023.
- Reporting Threshold:
 - Romanian MNEs with consolidated revenue exceeding RON 3.7 billion in each of the last two consecutive financial years (and active in more than one jurisdiction).
 - Non-Romanian MNEs (both non-EU and EU-headquartered) with a “medium-sized” or “large” subsidiary (or a qualifying branch) in Romania with consolidated revenue exceeding RON 3.7 billion in each of the last two consecutive financial years.

Consistent with the EU directive, financial institutions established in Romania that are already subject to separate reporting under EU Directive 2013/36 are exempt from this reporting obligation.

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- Information Reported and Presentation of Information: The information report, as well as the presentation of the information, is consistent with the EU directive. A common template and electronic reporting format will be provided.

According to the EU directive, the information reported includes the name of the ultimate parent company, financial year in question and currency used; a brief description of the nature of the business activities; number of full-time employees; net revenue; profit or loss before income tax; income tax paid and accrued; and accumulated earnings.

In addition, the EU directive provides that the data be disclosed (i) separately for each EU member state; (ii) separately for each country listed on the EU list of non-cooperative jurisdictions (i.e., “blacklist”) or listed for two consecutive years on the “grey list”; and (iii) aggregated for the rest of the world.

- Publication and Accessibility: In general, the report must be published and made available to the public (free of charge and for five years) on the website of the reporting entity or on the website of the public registry of Romania. In the latter case, the website of the reporting entity will contain a link to the website of the public registry.
- Publication Deadline: Consistent with the EU directive, the report must be published annually within 12 months from the relevant balance sheet date.
- Deferral: MNEs can temporarily omit (i.e., for up to five years) the disclosure of certain information if its publication would cause serious damage to the commercial position of the group. The omission does not apply to information related to tax jurisdictions included in the EU list of non-cooperative jurisdictions. Any omission must be clearly indicated in the report with a duly reasoned explanation.
- Audit Requirement: The audit report must include a statement of whether a CbC report was required to be published and, if so, if the report was published in accordance with the rules.
- Penalties: Specific penalty provisions have not been introduced.

Master File

There are no OECD Master File requirements in Romania.

Local File

There are no OECD Local File requirements in Romania.

Transfer Pricing Documentation

- Effective Date: Applies to all administrative procedures beginning on or after January 1, 2016.
- Transaction Thresholds:
 - Large taxpayers: Annual value of a related-party transactions equal to or exceeding (i) €200,000 for interest related to financial services; (ii) €250,000 for the provision of services; or (iii) €350,000 for the purchase/sale of tangible or intangible assets.
 - Small and medium-sized taxpayers: Annual value of a related-party transactions equal to or exceeding (i) €50,000 for interest related to financial services; (ii) €50,000 for the provision of services; or (iii) €100,000 for the purchase/sale of tangible or intangible assets.
- Information Reported: Generally consistent with OECD BEPS Action 13 guidance.
- Language: Romanian.

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- Deadline for Preparation/Submission:
 - Large taxpayers (see definition above): Prepared by the deadline for filing the annual corporate income tax return (i.e., March 25 of the year following the tax year-end for calendar year taxpayers). Submitted within 10 days of a request by the tax authorities.
 - Small and medium-sized taxpayers (see definition above): No contemporaneous documentation requirement, i.e., prepared at the request of the tax authorities. Submitted within 30 to 60 days of a request by the tax authorities (additional 30-day extension may be allowed).
 - Other taxpayers: May be required to provide evidence supporting compliance with the arm's length principle during an audit.
- Penalties: Penalties may apply for failure to submit documentation or submitting incomplete documentation.