

Important amendments to the Romanian Fiscal Code - Law no. 296/2020

- Possibility of granting new benefits to the employees -

The end of 2020 brought important changes in fiscal area of practice, those having an impact in most fields of activity. Thus, Law no. 296/2020, which amends and supplements the Romanian Fiscal Code, was published in the Official Gazette no. 1269 on December 21, 2020.

Among the new amendments are those related to the paragraph (4) of the article 76 of the Fiscal Code.

With respect to the categories of non-taxable income, in the sense of income tax, two new provisions have been added, namely:

"(w) the amounts granted to employees working in telework activities, to support utility expenses at the place where the employees work, such as electricity, heating, water and data subscription, and the purchase of office furniture and equipment, within the limits set-out by the employer through the labour agreement or the internal regulation, within a monthly ceiling of RON 400, corresponding to the number of days of the month where which the employee carries out activity in telework regime. The amounts will be granted without any need to present supporting documents;

and

(y) covering the costs of epidemiological testing and / or vaccination of employees to prevent the spread of diseases that endanger the health of employees and the public."

In fact, through these new provisions, the list of benefits that an employer can grant to its employees is extended.

Benefits may be implemented either by amending the individual employment agreement (by signing an addendum to this end) or by amending the internal regulation of the employer concerned.