

Important fiscal changes in Romania starting January 2025



On 30 December 2024, the Romanian government adopted Emergency Ordinance no. 156/2024 (“**the GEO**”) regulating a series of important fiscal changes that entered into force starting January 2025, as summarised below.

- ▣ **Increase of dividend tax from 8% to 10%** for all taxpayers obtaining income from dividends, i.e., companies, individuals, and non-residents. The increased tax applies to dividends distributed starting with 1 January 2025.
- ▣ **Elimination of tax incentives, i.e., exemption from income tax, reduced pension insurance contribution**, for salary income lower than RON 10,000 earned by individuals carrying out activity in IT, construction, agricultural and the food industry. For these sectors, regular (full) taxation applies starting with salary income related to January 2025.
- ▣ **Micro-enterprise tax:**
 - €€€€€€€€€€€€€€€€ Reduction of the annual eligibility turnover threshold from EUR 500,000 to EUR 250,000, and, from 1 January 2026, to EUR 100,000;
 - €€€€€€€€€€€€€€€€ Removal of the disqualifying condition of more than 20% of income from consultancy and management services;
 - €€€€€€€€€€€€€€€€ Update of the NACE codes corresponding to the activities for which the micro-enterprise tax is 3% instead of 1%.
- ▣ **Construction tax** -- the construction tax has been reintroduced (previously in force between 2014–2016) and it is payable by:
 - €€€€€€€€€€€€€€€€ Romanian legal entities, except for public institutions, national research and development institutes, associations, foundations and other “not-for-profit” legal entities;
 - €€€€€€€€€€€€€€€€ Foreign legal entities that carry out activity through a permanent establishment in Romania;
 - €€€€€€€€€€€€€€€€ Legal entities with their registered office in Romania, established according to European legislation.

The tax is 1% of the value of the existing constructions in a taxpayer's balance sheet on 31 December of the previous year, minus the value of the buildings for which building tax is due.

In the case of constructions in the public/private domain of the state or of administrative-territorial units, the tax is payable by taxpayers who have constructions in administration/concession or lease/rent them free of charge.

The tax is paid in two equal instalments, by 30 June and 31 October.

▮ **Other measures:**

- € salary income of RON 300/month will continue to be non-taxable in 2025, under certain conditions;
- € the minimum wage for employees in the construction sector is RON 4,582;
- € the minimum wage for employees in the food and agricultural industry is RON 4,050.