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TITLE I General provisions

CHAPTER I Scope of application of the Fiscal Procedure Code

Art. 1 Scope of application of the Fiscal Procedure Code

(1) This code regulates rights and obligations of the parties within the fiscal and legal relations regarding the administration of taxes and fees payable to the State and local budgets as provided by the Fiscal Code.

(2) This code is also to apply to the administration of customs rights, as well as to the administration of obligations that result from contributions, fines and other amounts which are revenues to the general consolidated budget by law, unless otherwise provided by law.

(3) Administration of taxes, fees, contributions and other amounts owed to the general consolidated budget means the whole of activities that are carried out by fiscal bodies in connection to:

a) fiscal registration;

b) declaration, assessment, audit and collection of taxes, fees, contributions and other amounts owed to the general consolidated budget;

c) solution of appeals against fiscal administrative acts.

Art. 2 The relation of the Fiscal Procedure Code with other normative acts

(1) The administration of taxes, fees, contributions and other amounts owed to the general consolidated budget as provided in Art. 1 is to be enforced according to the provisions of the Fiscal Procedure Code, the Fiscal Code and other regulations provided for their application.

(2) This Code is to constitute the common law procedure for the administration

of taxes, fees, contributions and other amounts owed to the general consolidated budget.

(3) In cases that are not provided in this Code, provisions of the Civil Procedure Code are to apply.

Art. 3 Modification and completion of the Fiscal Procedure Code.

(1) This code is to be modified and completed only by law, enacted, as a rule, 6 months before the date of the entry into force of such law.

(2) Any modification or completion of this code is to enter into as of the first day of the year following the year when such modification or completion was adopted by law.

Art. 4 Operation of the Central Fiscal Committee

The Central Fiscal Committee established according to Art. 6 in Law no. 571/2003 regarding the Fiscal Code has responsibilities of elaboration of decisions as regards the consistent application of this code.

CHAPTER II General principles of conduct regarding the administration of taxes, fees, contributions and other amounts owed to the general consolidated budget.

Art. 5 Consistent application of legislation

The fiscal body is obliged to apply consistently the provisions of fiscal legislation in the territory of Romania, pursuing the proper assessment of taxes, fees, contributions and other amounts owed to the general consolidated budget.

Art. 6 Exercising the right to assess

Within the limits of its powers and competences, the fiscal body is to be

entitled to assess the relevance of tax states of fact and to adopt the solution admitted by law, grounded on the complete ascertainment of all relevant circumstances in question.

Art. 7 Active role

(1) The fiscal body is to notify the taxpayer about his/her rights and obligations during the procedure carried on according to fiscal law.

(2) The fiscal body is entitled to examine ex officio the actual state of fact, to obtain and use all information and documents that are necessary for a correct assessment of the taxpayer's tax state of fact. The analysis performed by the fiscal bodies is to identify and consider all relevant circumstances of each case.

(3) The fiscal body has the obligation to examine the state of fact of an objective manner and to guide taxpayers as regards the submission of declarations and other documents for the correction of declarations or documents, whenever necessary.

(4) The fiscal body is to decide upon the manner and the amount of examinations depending on each separate case and within the limits provided by law.

(5) The fiscal body is to guide the taxpayers in the application of provisions of fiscal legislation. Assistance is to be provided either upon the taxpayers' request or upon the initiative of fiscal body.

Art. 8 Official language used in the tax administration

(1) The Romanian language is to be the official language used in the tax administration.

(2) If claims, justifying documents, certificates or other documents in a foreign language are submitted to the fiscal bodies, then fiscal bodies are to require that such documents are accompanied by translations in Romanian language, certified by authorised translators.

(3) Legal provisions as regards the use of languages of national minorities are to apply adequately.

Art. 9 The right to hearing

(1) Before making a decision, the fiscal body is obliged to ensure the taxpayer the possibility to show his/herpoint of view as regards facts and circumstances that are relevant in making such decision.

(2) The fiscal body is not obliged to apply the provisions under par. (1) in the following cases:

a) when a delay in making such decision endangers the assessment of the real tax status as regards the fulfilment of the taxpayer' s obligations or taking other measures as provided by law;

b) when the state of facts presented is to insignificantly modify in terms of the amount of tax receivables;

c) when accepting the information provided by the taxpayer in a declaration or an application;

d) when forced execution actions are to be taken.

Art. 10 Obligation to co-operate

(1) The taxpayer is obliged to co-operate with fiscal bodies in order to assess the tax state of fact by presenting the facts known by him, completely, according to reality and by indicating the justifying means as known by him/her.

(2) The taxpayers are obliged to take measures in order to provide all necessary proofing means by using all legal and effective possibilities that are available to him/her.

Art. 11 Tax secret

(1) Civil servants within the fiscal body, including the persons that are no longer in this capacity, are obliged, under the law, to keep secret the information they hold as a result of exercising their job duties.

(2) Information on taxes, fees, contributions and other amounts owed to the general consolidated budget may only be transmitted to the following:

a) public authorities, for purposes of carrying out obligations as provided by law;

b) fiscal bodies in other countries, under conditions of reciprocity, based on conventions;

c) competent judicial authorities, as provided by law;

d) in other cases as provided by law.

(3) The authority that receives fiscal information is obliged to keep secret such information.

(4) The transmission of fiscal information in other cases than those under par. (2) is allowed only after ensuring that no identity of any individual or legal person is thus disclosed.

(5) Failure to comply with the obligation to keep the tax secret is to trigger legal liability by law.

Art. 12 Good faith

The relationships between taxpayers and fiscal bodies are to be based on good faith in order to satisfy the law requirements.

CHAPTER III Application of fiscal legislation provisions

Art. 13 Interpretation of the law

The interpretation of fiscal regulations must observe the lawmaker’s will as expressed in law.

Art. 14 Economic criteria

Incomes, other benefits and patrimonial values are subject to fiscal law irrespective if they are obtained from activities which comply or not with requirements of other legal provisions..

Art. 15 Avoidance of fiscal law

(1) In case that, by avoiding the purpose of fiscal law, the fiscal obligation was not assesed or compared to the real taxation base, the obligation due and the corresponding tax receivable are to be those legally assessed.

(2) Provisions in Art. 23 are to apply to cases provided in par. (1).

CHAPTER IVFiscal legal relation

Art. 16 Content of relation of fiscal procedural law

The relation of fiscal procedural law includes the parties rights and obligations, according to law, for the fulfilment of modalities provided for the determination, exercise and cease of rights and obligations of the parties as derived from the relation of fiscal material law.

Art. 17 Subjects to fiscal legal relation

(1) Subjects to the fiscal legal relation are the state, the territorial administrative units, the taxpayer as well as other persons that acquire rights and obligations within this relation.

(2) *A taxpayer* is any individual or legal person or any other entity without legal personality that owes taxes, fees, contributions and other amounts to the general consolidated budget, under law conditions.

(3) The state is represented by the Ministry of Public Finance through the National Agency for Tax Administration and its territorial units.

(4) Territorial administrative units are represented by authorities of local public administration as well as by specialist departments thereof, within the limit of competences delegated by such authorities.

(5) The National Agency of Tax Adminisrtation, its territorial units as well as the specialist departments of authorities of local public administration are hereinafter called *fiscal bodies.*

Art. 18 Empowered persons

(1) The taxpayer may be represented by an empowered person in the relations with fiscal bodies. The content and the limitation of the representation are to be as included in the power of attorney or as provided by law, as the case may be.

(2) The empowered person is obliged to register at the fiscal body the power of attorney in authentical form, in writing and under the legal conditions. The revocation of the empowerment becomes effective with the fiscal body as of the registration date of the revocation document.

(3) In case taxpayers are represented by a lawyer in the relation with fiscal bodies, then the form and the content of the proxy are those as provided by legal provisions as regards the organization and exercise of the profession of lawyer.

(4) The taxpayer that is not fiscally domiciled in Romania and that is obliged to submit declarations to fiscal bodies obliged to appoint an empowered person whose fiscal domicile is in Romania, in order to fulfil his/her obligations to the fiscal body.

(5) Provisions of this article are also applicable to fiscal representatives appointed according to the Fiscal Code, unless the law provides differently.

Art. 19 Appointment of a fiscal custodian

(1) Unless there is an empowered person appointed in compliance with Art. 18, the fiscal body is to request the competent court to appoint a fiscal custodian for an absent taxpayer whose fiscal domicile is unknown or who, due to illness, infirmity, old age or handicap of any kind cannot personally exercise or fulfil the rights and obligations under the law.

(2) For his/her activity, the fiscal custodian is to be remunerated according to the court decision, and all expenses related to such representation are to be covered by the represented person.

Art. 20 Obligations of legal representatives

(1) Legal representatives of individuals and legal persons, as well as representatives of associations without legal personality are obliged to fulfil the tax obligations of represented persons, on their behalf and from their fortune.

(2) In case that, due to any reason, tax obligations of associations without legal personality are not fulfilled as provided in par. (1), then partners are to be jointly liable for their fulfilment.

TITLE II General provisions regarding the relation of material fiscal law

CHAPTER I General provisions

Art. 21 Tax receivables

(1) Tax receivables are patrimonial rights that result from relations of material fiscal law under the law.

(2) Both the content and the amount of tax receivables that are determined rights result from relations under par. (1), which consist of the following:

a) the right to collect taxes, fees, contributions and other amounts that are revenues to the general consolidated budget, the right to the refund of the value-added tax, the right to the refund of taxes, fees, contributions and other amounts that are revenues to the general consolidated budget, according to par. (4), hereinafter called *main tax receivables*;

b) the right to collect late payment interest and penalties under the law, hereinafter called *ancillary tax receivables*.

(3) In cases as provided by law, the fiscal body is to be entitled to request the settlement of the tax receivable by the person in charge to pay such receivable instead of the debtor.

(4) To the extent that the payment of amounts of taxes, fees, contributions and other amounts that are revenues to the general consolidated budget is

found as lacking legal grounds, the person who made such payment is entitled to the refund of such amount.

Art. 22 Tax obligations

For purposes of this Code, *tax obligations* are to have the following meanings:

a) the obligation to declare taxable goods and incomes or, as the case may be, taxes, fees, contributions and other amounts that are revenues to the general consolidated budget;

b) the obligation to compute and record in accounting and fiscal books taxes, fees, contributions and other amounts that are revenues to the general consolidated budget;

c) the obligation to pay taxes, fees, contributions and other amounts that are revenues to the general consolidated budget within the legal deadlines;

d) the obligation to pay late payment interest and penalties related to taxes, fees, contributions and other amounts that are revenues to the general consolidated budget, hereinafter called *ancillary payment obligations*;

e) the obligation to compute, withhold and record in accounting books and payrolls taxes and contributionsrealised by withholding, within the legal deadlines;

f) any other obligations of taxpayers, individuals or legal persons, in the application of fiscal laws.

Art. 23 Arising tax receivables and obligations

(1) Unless otherwise provided by law, the right of the tax receivable and the related tax obligation are to arise upon the constitution of the taxation base generating thereof, by law.

(2) The right of the fiscal body to determine and assess the tax obligation due is to arise according to par. (1).

Art. 24 Settlement of tax receivables

Tax receivables are to be settled by collection, offset, forced execution, cancellation, statute of limitation and by other means as provided by law.

Art. 25 Creditors and debtors

(1) In the relations of material fiscal law, creditors are defined as persons holding certain rights of tax receivables as provided in Art. 21, while debtors are those persons that by law have the related obligation to pay such rights.

(2) In case the debtor failed to satisfy the payment obligation, the following are to become debtors by law:

a) the heir that accepted the succession of the taxpayer that is a debtor;

b) the person that takes over, either fully or partially, the rights and obligations of the debtor subject to division, merger or judicial reorganisation, as the case may be;

c) the person whose liability was determined according to legal provisions regarding bankruptcy;

d) the person that takes over the debtor' s payment obligation through a payment commitment or through another act concluded in an authentic form, by ensuring a real guarantee as regards the payment obligation.

e) other persons as provided by law.

Art. 26 Payer

(1) Payer of the tax obligation is to be the debtor or the person who, on behalf of the debtor, by law, is obliged to pay or withhold and pay, as the case may be, taxes, fees, contributions and other amounts owed to the general consolidated budget.

(2) For legal persons with location in Romania, that have secondary locations, the payer of tax obligations is to be the legal person, except for the tax on salary income, for which the tax payment is made by law, by the secondary

locations of the legal person.

Art. 27 Joint liability

(1) For outstanding payment obligations of the debtor that was declared insolvent under the conditions of this Code, the following persons are to be jointly liable with such debtor:

a) individuals or legal persons that, during the 3 year period prior to the date of the declaration of insolvency, in bad faith, acquire goods, by any means, from debtors that thus causes insolvency;

b) administrators, associates, shareholders and any other persons that caused insolvency to the debtor that is a legal person by disposing of or by hiding in bad faith, in any manner, movable or immovable goods in his/her ownership.

(2) The liability of associates and shareholders in trade companies that are debtors is to be determined according to Company Law no. 31/1990, republished, with further modifications and completions.

Art. 28 Special provisions regarding determination of liability

(1) The liability of persons under Art. 27 is to be determined according to the provisions of this article.

(2) For the purpose provided in par. (1), the fiscal body is to prepare a decision to include the reasons de facto and de iure why the liability of the person in question is engaged. The decision is to be submitted for approval to the management of the fiscal body.

(3) The decision approved according to par. (2) is to be a receivable title regarding the payment obligation of the person responsible according to Art. 27 and is to include, beside the elements in Art. 42 par. (2), the following:

a) the fiscal identification code of the person that is obliged to pay the obligation of the main debtor, as well as any other identification data;

b) the name and first name or the company name of the main debtor; the fiscal identification code; his/her residence or location, as well as any other identification data;

c) the amount and the nature of amounts due;

d) the deadline within which the liable person must pay the obligation of the main debtor;

e) the legal grounds and actual reasons for the commitment of liability.

(4) The liability is to be determined both for the main tax obligation and for its ancillary tax obligations.

(5) The receivable title in par. (3) is to be communicated to the person obliged to pay by specifying that such person is to make the payment within the determined deadline.

(6) The receivable title communicated according to par. (5) can be contested in compliance with law.

Art. 29 Rights and liabilities of heirs

(1) Rights and obligations derived from the fiscal legal relation are to be taken over by the heirs of the debtor, under the conditions of common law.

(2) Provisions of par. (1) are not to apply in the case of payment obligations of amounts of fines applied to the debtor that is an individual, by law.

Art. 30 Provisions regarding the transfer of taxpayers' tax receivables

(1) Main or ancillary tax receivables regarding taxpayers' reimbursement or refund rights, as well as amounts intended for the guarantee of the execution of a tax obligation can be transferred only after their determination by law.

(2) The transfer is to become effective for the competent fiscal body only as of the date when such body was notified on the transfer.

(3) The termination of the transfer or the ascertainment of its severance subsequent to the settlement of the tax obligation is not to be opposable to the fiscal body.

CHAPTER II Fiscal domicile

Art. 31 Fiscal domicile

(1) In the case of fiscal receivables that are administered by the Ministry of Public Finance through the National Agency for Tax Administration, fiscal domicile is to have the following meanings:

a) for individuals, the address of domicile, by law, or the address where they actually live, if such address differs from the domicile one;

b) for legal persons, the registered location or the place where the administration and the actual management of business are carried out, unless carried out at the declared registered location;

c) for associations or other entities without legal personality, the address of the person representing the association or the entity, and in the absence of such a person, the address of the fiscal domicile of any of the partners.

(2) For purposes of par. (1), letter a), the address where they actually live means the address of the residence that a person uses on a continuous basis fro more than 183 days in a calendar year, short-term interruptions being neglected. If the purpose of the stay is exclusively a visit, a leave, a treatment or other similar personal purposes and does not exceed a one-year period, such residence is not to be considered the address where such person actually lives.

(3) In case the fiscal domicile cannot be determined based on par. (1), letters b) and c), the fiscal domicile is to be the place where the majority of the assets are located

(4) In the case of other tax receivables to the general consolidated budget, the fiscal domicile is to be considered the domicile regulated upon according to common law or the registered location by law.

TITLE III General procedural provisions

CHAPTERI Competence of the fiscal body

Art. 32 General competence

(1) Fiscal bodies have a general competence as regards the administration of tax receivables, carrying out audit and the issuance of application norms of legal provisions on fiscal matters.

(2) In case of income tax, an additional special administration competence can be established by a Government decision.

(3) Taxes, fees and other amounts payable in customs by law are to be administered by the customs bodies.

Art. 33 Territorial competence

(1) For the administration of taxes, fees, contributions and other amounts owed to the general consolidated budget, the competence is to stay with the fiscal bodies within whose territorial jurisdiction the fiscal domicile of the taxpayer or the income payer is located, in case of taxes and contributions realised by withholding, under the law.

(2) In case of non-resident taxpayers that carry out activities within the territory of Romania through a permanent establishment, the competence is to stay with the fiscal body within whose jurisdiction the turnover is realised, either wholly or most of it.

(3) The competence for the administration of taxes, fees, contributions and other amounts owed to the general consolidated budget, that are payable by large taxpayers can be determined in charge of other fiscal bodies, by an order of the Minister of Public Finance.

Art. 34 The competence in case of secondary locations

In case the taxpayer has by law payment obligations for secondary locations, then the territorial competence for the administration thereof is to stay with the fiscal body within whose territorial jurisdiction such secondary locations are placed.

Art. 35 Territorial competence of specialist departments of authorities of local public administration

Specialist departments of authorities of local public administration are to be competent for the administration of taxes, fees and other amounts owed to local budgets of territorial administrative units.

Art. 36 Special competence

(1) In case the taxpayer has no fiscal domicile, the territorial competence is to stay with the fiscal body within whose jurisdiction the act or fact that is subject to legal fiscal provisions is ascertained.

(2) Provisions in par. (1) are also to apply to legal emergency measures required in cases of disappearance of identification elements of the actual taxation base, as well as in case of forced execution.

Art. 37 Conflict of competence

(1) A conflict of competence is when two or more than two tax bodies declare that they are both of them either competent or incompetent. In this case, the fiscal body that vested itself competent the first or declared itself incompetent the last is to continue the undergoing procedure and is to apply to the common higher hierarchical body to decide on the conflict.

(2) In case the fiscal bodies between which the conflict of competence occurs are not subordinated to a common higher hierarchical body, the conflict of competence arisen is to be solved by the Central Fiscal Committee within the Ministry of Public Finance.

(3) In the case of local budgets, the Central Fiscal Committee is to be completed by a representative of the Association of Communes in Romania, the Association of Towns in Romania, the Association of Municipalities in Romania, the National Union of County Councils in Romania and the Ministry of Administration and Home Affairs.

Art. 38 Agreement on competence

Upon the approval of the fiscal body that according to this Code holds the territorial competence, as well as upon the approval of the taxpayer in question, another fiscal body may take over the activity of administration of

such taxpayer.

Art. 39 Conflict of interest

The civil servant within the fiscal body that is involved in an administration procedure is in a conflict of interest if:

a) within such procedure, such civil servant is a taxpayer, a spouse of a taxpayer, a relative up to the third degree inclusively of the taxpayer, or he/she is a representative of an empowered person of such taxpayer;

b) within such procedure he/shemay acquire a benefit or suffer a direct disadvantage;

c) there is a conflict between him/her, the spouse, his/her relatives up to the 3rd degree inclusively and one of the parties or the spouse, relatives of the party up to the 3rd degree inclusively;

d) in other cases as provided by law.

Art. 40 Refraining and challenge

(1) The civil servant that is aware that he is under one of the cases provided in Art. 39, is obliged to inform the head of the fiscal body and to refrain from carrying out the procedure.

(2) In case the conflict of interest refers to the head of the fiscal body, such head is obliged to inform the higher hierarchical body.

(3) Refraining is to be proposed by the civil servant and is to be decided immediately by the head of such fiscal body or the higher hierarchical body.

(4) The taxpayer involved in the procedure being carried out may apply for the challenge of the civil servant that is under a conflict of interest.

(5) The challenge of the civil servant is to be immediately decided upon by the head of the fiscal body or the higher hierarchical body. The decision that rejects an application for challenge may be contested at the competent court. The application for challenge does not suspend the administrative procedure being carried out.

CHAPTER II Documents issued by fiscal bodies

Art. 41 Notion of fiscal administrative act

For purposes of this Code, *fiscal administrative act* is to be the document issued by the competent fiscal body for the application of the legislation regarding the assessment, the modification or the settlement of tax rights and obligations.

Art. 42 Content and motivation of the fiscal administrative act

(1) The fiscal administrative act is to be issued only in writing.

(2) The fiscal administrative act is to include as follows:

a) the name of the issuing fiscal body;

b) the date of issuance and entry into;

c) identification data of the taxpayer or the person empowered by the taxpayer, as the case may be;

d) the subject to the fiscal administrative act;

e) reasons de facto;

f) legal grounds;

g) the name and the signature of the persons empowered of the fiscal body, by law;

h) the stamp of the issuing fiscal body;

i) the possibility to be contested, the appeal submission deadline and the fiscal body where the appeal is to be submitted;

j) specifications regarding the taxpayer' s hearing.

(3) The fiscal administrative act issued in compliance with par. (2) through information technology means is to be still valid, even if it does not bear

the signature of empowered persons of the fiscal body as per law or the stamp of the issuing body, provide that it is according to legal requirements applicable on such matters.

(4) Categories of administrative acts that are to be issued under conditions of par. (3) are to be determined by an order of the Minister of Public Finance.

Art. 43 Communication of the fiscal administrative act

(1) The fiscal administrative act must be communicated to the taxpayer for whom it is intended.

(2) The fiscal administrative act is to be communicated as follows:

a) by the taxpayer' s presence to the issuing fiscal body and the receipt of the fiscal administrative act by him/her against signature, while the communication date is to be the date when the document is handed over against signature;

b) by the empowered persons of fiscal bodies, by law;

c) by mail, at the taxpayer' s fiscal domicile, by registered letter with receipt confirmation as well as by other means, such as fax, e-mail, if ensured the transmittal of the text of the act and its confirmation receipt.

(3) In case the taxpayer or any other person entitled to receive the fiscal administrative act at his/her fiscal domicile is absent, or in case of refuse to receive the administrative act, the communication is to be done by placing an ad in a national daily of large circulation and/or in a local daily or in the Official Gazette of Romania, Part IV, which specifies that such act was issued on the taxpayer' s name. The fiscal administrative act is to be considered communicated 5 (five) days after the publication of the ad.

(4) The provisions of the Civil Procedure Code regarding the communication of the procedural documents are to be adequately applied.

Art. 44 Opposability of the fiscal administrative act

A fiscal administrative act is effective as of the moment when it is communicated to the taxpayer, or upon a subsequent date, as mentioned in the

communicated administrative act, under the law.

ART 45 Nulity of the fiscal administrative act

The lack of any of the elements of the fiscal administrative act referring to the name, first name and capacity of the empowered person of the fiscal body, the taxpayer' s name and first name or company name, the subject of the administrative act or the signature of the empowered person of the fiscal body, with the exception provided Art. 42 par. (3) of this code is to trigger such fiscal administrative act nullity. The nullity may be ascertained upon request or ex officio.

Art. 46 Repeal or modification of fiscal administrative acts

The fiscal administrative act may be modified or repealed in accordance with this Code.

Art. 47 Correction of material errors

The fiscal body may correct material errors in the fiscal administrative act ex officio or upon the taxpayer' s request. The corrected fiscal administrative act is to be communicated to the taxpayer, by law.

CHAPTER III Administration and assessment of evidence

SECTION 1

General provisions

Art. 48 Means of evidence

(1) For the determination of the tax state of fact, the fiscal body is to

administer means of evidence under the law and may resort to the following:

a) request of information of any kind from taxpayers or other persons;

b) request of expert studies;

c) use of documents;

d) performance of on-site investigations.

(2) The evidence administered is to be corroborated and assessed by considering their proving force as recognised by law.

Art. 49 Fiscal body right to request the taxpayer’ s presence at its office

The fiscal body can request the taxpayer’ s presence at its office in order to provide information and clarifications necessary for the determination of his/her actual tax state of fact. When making such request, fiscal bodies are also to specify documents that the taxpayer is to present, as the case may be.

Art. 50 Communication of information among tax bodies

If during a tax procedure, facts that might be significant to other fiscal legal relations are discovered, fiscal bodies are to inform reciprocally the information acquired

SECTION 2

Information and expert studies

Art. 51 Obligation to provide information

(1) The taxpayer or other person empowered by him/her has the obligation to provide the fiscal body with information as necessary for the determination of the tax state of fact. The fiscal body may request information to other persons as well, only when the tax state of facts was not clarified by the taxpayer. Information provided by other persons are be taken into account only

to the extent that they are also confirmed by other means of evidence.

(2) The request for information is to be prepared in writing and is to specify the nature of information requested for the determination of the tax state of fact and the documents that support the information provided.

(3) The declaration of persons that are obliged according to par. (1) to supply information is to be done either verbally or in writing, as the case may be.

(4) In case that the person obliged to supply information in writing is unable to write for reasons beyond his/her will, the fiscal body is to prepare a minutes.

Art. 52 Banks obligation to supply information

(1) Banks are required to communicate to fiscal bodies the list of individuals, legal persons or any other entity without legal personality that open or close accounts, such persons legal status and domicile or location. The communication is to be done during the first half of each month referring to accounts opened or closed during the prior month. The communication is to be sent to the Ministry of Public Finance.

(2) The Ministry of Public Finance together with the National Bank of Romania are to issue procedures regarding the transmission of information provided in par. (1).

(3) Upon the request of authorities of local public administration, the Ministry of Public Finance is to transmit to such authorities information held based on par.(1).

Art. 53 Expert studies

(1) Whenever deemed necessary, the fiscal body has the right to resort to services of an expert in order to prepare an expert study. The fiscal body is obliged to communicate the expert’ s name to the taxpayer.

(2) The taxpayer may appoint an expert on own expense.

(3) Experts are obliged to keep the tax secret on data and information

acquired.

(4) The expert study is to be prepared in writing.

(5) Fees established for experts studies as provided in this article are to be paid from the budgets of fiscal bodies that requested the expert' s services, as the case may be.

SECTION3

Verification of documents and on-site investigation

Art. 54 Producing documents

(1) For the determination of the tax state of fact, taxpayers are to make available to the fiscal body registers, records, business documents, and any other documents. The fiscal body has the right to request documents from other persons as well, provided that such tax state of fact was not clarified based on the documents made available by the taxpayer.

(2) The fiscal body may request that documents are made available at its location or at the fiscal domicile of the person that is obliged to produce such documents.

(3) The fiscal body has the right to keep, for the purpose of protection against disposal or destruction, documents, acts, written documents, registers and financial-accounting documents or any material element that proves the assessment, record and payment of tax obligations by the taxpayer, for a period of maximum 30 days. In exceptional cases, with the approval of the fiscal body, the period of keeping such documents may be prolonged by maximum 90 days.

Art. 55 On-site investigation

(1) Under the law, the fiscal body may carry out an on-site investigation, and in this respect it is to prepare a minutes.

(2) Taxpayers have the obligation to allow the employees empowered by the fiscal body to carry out the on-site investigation and the experts used for

such action the access to lands, premises or any other enclosures, to the extent that such access is necessary for ascertainment of tax interest.

(3) Owners of such lands or premises are to be informed in due time about the investigation, except for cases provided in Art. 94, letter b). Individuals are to be informed of their right to refuse access to domicile or residence.

(4) In case of refuse, access to the domicile or residence of such individual is to take place upon the authorisation by the competent law court, and provisions in the presidential ordinance in the Civil Procedure Code are to apply.

(5) Upon the fiscal body request, police bodies, military police agents or other agents of public order are obliged to provide support for the application of this article.

SECTION 4

Right to refuse to provide evidence

Art. 56 Right of relatives to refuse supply of information, performance of expert studies and presentation of documents

(1) The taxpayer' s spouse and relatives of up to the 3rd degree inclusively may refuse to supply information, the performance of expert studies and the presentation of documents.

(2) Persons provided in par. (1) are to be advised on such right.

Art. 57 Right of other persons to refuse to supply information

(1) Priests, lawyers, notaries public, tax consultants, court executors, auditors, chartered accountants, doctors and psychotherapists may refuse to supply information regarding the data they became aware of during their activity.

(2) Nurses as well as persons that participate in their professional activity are to be assimilated to persons under par. (1).

(3) Persons provided in par. (1), except for priests, may provide information, upon the consent of the person about whom the information was requested

SECTION 5

Collaboration between public authorities

Art. 58 Obligation of public authorities and institutions to supply information and produce documents

Public authorities, public institutions and institutions of public interest, central and local, as well as decentralised departments of the central public authorities are to supply information and documents to fiscal bodies, upon their request.

Art. 59 Collaboration between public authorities, public institutions and institutions of public interest

(1) Public authorities, public institutions and institutions of public interest are obliged to collaborate for purposes of this code.

(2) Actions carried out by authorities in par. (1) in accordance with their competence by law are not to be deemed as collaboration.

(3) The fiscal body that requests the collaboration is to be liable for the legality of such request, and the authority to whom the request was sent is to be liable for data provided.

Art. 60 Conditions and limits of collaboration

(1) The collaboration between public authorities, public institutions and institutions of public interest is to be done within the limits of their competence, by law.

(2) If the public authority, the public institution or the institution of public interest refuses the collaboration, the public authority that is higher

than both bodies is to decide upon. If such authority does not exist, then the decision is to be made by the authority higher than that whose collaboration was requested.

Art. 61 Cross-border collaboration between public authorities

(1) Fiscal bodies are to collaborate with similar fiscal bodies of other countries based on international conventions.

(2) In the absence of such convention, fiscal bodies may grant or request the collaboration of another fiscal body from a different country, based on reciprocity.

SECTION 6

Weight of evidence

Art. 62 Weight of evidence of justifying documents and accounting records

The taxpayer' s justifying documents and accounting records are to constitute evidence when assessing the taxation base. In case there are other supporting documents as well, such documents are to be taken into account for the determination of the taxation base.

Art. 63 Weight of evidence in proving the tax state of fact

(1) The taxpayer has the obligation to prove the documents and facts that grounded his/her declarations and any application submitted to the fiscal body.

(2) The fiscal body has the obligation to justify the assessment decision based on evidence or on own findings.

Art. 64 Proving the titular of the ownership right for taxation purposes

(1) If certain goods, income or other valuables that by law are included in the taxable base are found as being held by persons that continuously benefit of gains or by any regular benefits derived from them and such persons declare in writing that they are not owners of such goods, income or valuables in question without showing who is the titular of such ownership right, then the fiscal body is to resort to the temporary assessment of the adequate tax obligation on the burden of the such persons.

(2) Under the law, the tax obligation regarding the taxable base in par. (1) may be determined as being in charge of the titular of the ownership right. Similarly, such titular is to owe damages to the persons that made the payment for the settlement of the obligation assessed according to par. (1).

Art. 65 Estimation of the taxation base

(1) If the fiscal body cannot assess the taxation base, then such fiscal body is to estimate it. In such case, all data and documents relevant for the estimate are to be taken into account. The estimate consists in the identification of amounts that are closest to that tax state of fact.

(2) In cases that under the law, fiscal bodies are entitled to estimate the taxation base, such fiscal bodies are to take into account the market price of the taxable transaction or good, as defined in the Fiscal Code.

CHAPTER IV

Deadlines

Art. 66 Computation of deadlines

Deadlines of any type as regards the exercise of rights and the satisfaction of obligations provided in the Fiscal Procedure Code as well as by other legal provisions applicable on the matter, unless the tax law provides different, are to be computed according to the provisions of the Civil Procedure Code.

Art. 67 Extension of deadlines

Deadlines for the submission of tax declarations and deadlines established by a fiscal body by law can be extended under well-grounded circumstances, according to the competence as determined by an order of the Minister of Public Finance.

TITLE IVFiscal registration and accounting and fiscal records

Art. 68 Fiscal registration obligation

(1) Any person or entity that is subject to a fiscal legal relation is to register from a fiscalpoint of view and is to receive a fiscal identification code. The fiscal identification code is to be as follows:

a) for legal persons, except for traders, and for associations and other entities without legal personality, the fiscal registration code as granted by the competent fiscal body in the subordination of the National Agency for Tax Administration;

b) for individuals, the personal identification number as granted under special laws;

c) for individuals that do not have a personal identification number, the fiscal identification number as granted by the competent fiscal body in the subordination of the National Agency for Tax Administration;

d) for traders, including subsidiaries of traders whose main trade location is abroad, the single registration code as granted under special laws;

e) for individuals that are value-added tax payers, the fiscal registration code as granted by the competent fiscal body in the subordination of the National Agency for Tax Administration.

(2) Persons in par. (1), letter d) are to register from fiscalpoint of view according to the special relevant procedure.

(3) For purposes of granting the fiscal identification code, persons provided in par. (1), letters a), c) and e) have the obligation to submit a fiscal registration declaration.

(4) Persons under par. (1), letter b) that have the capacity of employers are also obliged to file a fiscal registration declaration.

(5) Taxpayers that obtain incomes from independent activities for which anticipatory payments are made by withholding by payers of incomes, are

required to submit the fiscal registration declaration to the competent fiscal body, for registration purposes.

(6) The registration declaration is to be submitted within 30 days as of:

a) the date of establishment by law, in case of legal persons, associations and other entities without legal personality;

b) the date of issuance of the legal act of operation, of inception of activity, the date of obtaining the first income or acquiring the employer status, as applicable, in case of individuals.

Art. 69 Payers of value-added tax fiscal registration and writing out

(1) Any taxable person that carries out taxable and/or operations exempt from value-added tax with the right to deduction must apply for the registration as a value-added tax payer at the competent fiscal body under the subordination of the National Agency for Tax Administration in the following cases:

a) upon the establishment, mandatory, if it declares that it is to realise a turnover above the exemption threshold as provided by the Fiscal Code as regards the value-added tax;

b) upon the establishment, mandatory, if it declares that it is to realise a turnover under the exemption threshold, but opts for the application of the normal value-added tax regime;

c) after the establishment, mandatory, if it exceeds the exemption threshold as provided in the Fiscal Code regarding the value-added tax, within 10 days as of the end of the month when such threshold was exceeded;

d) after the establishment, if the turnover realised is under the exemption threshold, but it opts for the application of the normal value-added tax regime.

(2) Persons that exclusively carry out operations that are exempt from the value-added tax and according to the Fiscal Code may opt for the taxation thereof, must apply for the registration as value-added tax payers.

(3) The turnover declared to the fiscal body is to be that assessed according to provisions of the Fiscal Code regarding the value-added tax.

(4) In case of persons registered as value-added tax payers, the fiscal identification code is to be preceded by letter “R”.

(5) The date of registration as a value-added tax payer is to be as follows:

a) the date of communication of the registration certificate in cases under par. (1), letter a) andlett. b) and, as the case may be, in par. (2);

b) the first day of the month following the month when the taxable person opts for the application of the normal value-added tax regime in cases provided in par. (1), lett. d);

c) the first day of the month following the month when the taxable person applies for the registration as a value-added tax payer in cases provided in par. (1), lett. c) and, as the case may be, in par.(2).

(6) Any taxable person that is registered as a value-added tax payer that further to registration, carries out exclusively operations that do no give right to deduction must apply for his/her writing out of records in capacity of a value-added tax payer within 10 days as of the end of the month when such operations are exclusively carried out. Writing out of records in capacity of a value-added tax payer is to be performed as of the first day of the month following the month when the taxable person is required to apply for such writing out of records.

(7) Any taxable person that is registered as a value-added tax payer is to apply for its writing out of records in capacity of a value-added tax payer in case of ceasing activity within 15 days as of the date of the document which record such case. Writing out of records in capacity of a value-added tax payer is to be made as of the first day of the month following the month when the declaration of specification was submitted.

Art. 70 Obligation to mark the fiscal identification code on documents

Payers of taxes, fees, contributions and other amounts owed to the general consolidated budget are required to mark the own fiscal identification code on invoices, letters, offers, orders or any other documents issued by them.

Art. 71 Declaration of subsidiaries and secondary locations

(1) Taxpayers are required to declare to the competent fiscal body in the

subordination of the National Agency for Tax Administration the establishment of secondary locations within 30 days.

(2) Taxpayers that have the fiscal domicile in Romania are required to declare the establishment of subsidiaries and secondary locations abroad within 30 days as of the establishment.

Art. 72 Form and content of the fiscal registration declaration

(1) The fiscal registration declaration is to be prepared by the completion of a standard form made available for free by the fiscal body in the subordination of the National Agency for Tax Administration and is to be accompanied by proofing documents for the information included in such declaration.

(2) The fiscal registration declaration is to include: the taxpayer' s identification data, categories of payment obligations due according to the Fiscal Code, data about the secondary locations, identification data of the empowered person, data regarding the taxpayer' s legal status, as well as any information necessary for the administration of taxes, fees, contributions and other amounts due to the general consolidated budget.

Art. 73 Fiscal registration certificate

(1) Based on the fiscal registration declaration, submitted according to Art. 68 par. (3), the competent fiscal body in the subordination of the National Agency for Tax Administration is to issue the fiscal registration certificate, within 15 days as of the date of submission of such declaration. The fiscal identification code must be included in the fiscal registration certificate.

(2) The issuance of fiscal registration certificates is not to be subject to stamp fees.

(3) Taxpayers that obtain incomes from trade activities or supplies of services to public are required to post the fiscal registration certificate in places where they carry out activity.

(4) In case of loss, theft or destruction of the fiscal registration certificate, the fiscal body is to issue a duplicate of it based on the taxpayers application and on the proof of the publication regarding such loss,

theft or destruction in the Official Gazette of Romania, Part III.

Art. 74 Modifications further to fiscal registration

(1) Further modifications of data included in the fiscal registration declaration must be informed to the competent fiscal body in the subordination of the National Agency for Tax Administration within 30 days as of their occurrence, by the completion and the submission of the declaration of specifications.

(2) When conditions that led to the fiscal registration no longer exist, taxpayers are required to submit the fiscal registration certificate together with the declaration of specifications to the fiscal bodies, for cancellation purposes.

Art. 75 Taxpayers' register

(1) The competent fiscal body in the subordination of the National Agency for Tax Administration is to organize the records of payers of taxes, fees, contributions and other amounts owed to the state budget, social insurance budget, the budget of the single fund of health social insurance, unemployment insurance budget in the taxpayers' register, that include:

a) the taxpayer' s identification data;

b) categories of tax payment obligations that are owed by law, hereinafter called *fiscal vector;*

c) other information necessary for the administration of tax obligations.

(2) Data provided in par. (1) are to be completed based on the information communicated by taxpayers, by the Office of Registry of Commerce, by the department of population records, by other authorities and institutions and according to own findings of the fiscal body as well.

(3) Data in the taxpayers register may be modified ex officio whenever there is found that they do not correspond to the actual state of fact and such modifications are to be informed to taxpayers.

(4) The ex officio modification of the fiscal domicile based on findings made according to par. (3) are to be made by a decision issued by the competent

fiscal body after the taxpayer' s prior hearing according to Art. 9.

(5) Taxpayers that are legal persons or any other entities without legal personality that failed to submit tax declarations and financial statements, failed to make payments and did not submit any applications to the fiscal body for 12 consecutive months are to be transferred under a special record of inactive taxpayers.

(6) Taxpayers transferred under the special record are to be subject to the tax audit within maximum 3 months as of the date of the transfer under the special record

(7) During the period that the taxpayer is deemed inactive, the fiscal registration certificate is to be suspended.

(8) Taxpayers transferred under the special record are to be re-activated as of the date when:

a) they submit a fiscal declaration or a financial statement;

b) they carry out a voluntary payment;

c) they submit an application to fiscal bodies;

d) the fiscal body ascertains that such taxpayers carriy out activity that is subject to the fiscal law.

Art. 76 Obligation to maintain fiscal records

In order to determine the actual tax state of fact and the tax obligations owed, taxpayers are required to maintain fiscal records according to normative acts in force.

Art. 77Rules for maintaining accounting and fiscal records

(1) Accounting and fiscal records are to be maintained at the taxpayer' s fiscal domicile or the secondary locations, as the case may be.

(2) Legal provisions regarding the maintenance, archiving and the language used in accounting records are also to be applicable to fiscal records.

(3) In case that accounting and fiscal records are maintained by means of electronic management systems, beside data archived in electronic form, the taxpayers are also required to keep and explain the IT applications by the aid of which he/she generated such records.

(4) Taxpayers are required to record the income realised and expenses incurred from the activities carried out, by preparing registers or any other documents as provided by law.

(5) For the activity carried out, taxpayers are required to use primary documents and accounting record documents as provided by law, purchased only from units determined through legal norms in force and to integrally complete the forms boxes according to operations recorded.

(6) The fiscal body may take into account any records maintained by taxpayers that are relevant for taxation purposes.

TITLE VTax declaration

Art. 78 Obligation to submit tax declarations

(1) The tax declaration is to be submitted by persons obliged to do so, according to the Fiscal Code, within the deadlines provided by such Fiscal Code.

(2) In case the Fiscal Code does not include any provision, the Ministry of Public Finance is to determine the deadline for the submission of the tax declarations.

(3) The obligation to submit the tax declaration is still valid in cases when:

a) the fiscal obligation was paid;

b) such tax obligation is exempt from payment, according to legal regulations;

c) the fiscal body assessed ex officio the taxation base as well as the tax obligation due.

(4) In case of temporary inactivity or in case of obligations to declare certain incomes that are exempt from the payment of income tax under the law, the competent fiscal body may approve, upon the taxpayer' s application, other deadlines or conditions for the submission of tax declarations, depending on the needs of the administration of tax obligations. As regards the deadlines and conditions, the fiscal body is to decide, according to its competences as

approved by an order of the Minister of Public Finance.

Art. 79 Form and content of tax declaration

(1) The tax declaration is to be prepared by filling in a standard form that is made available for free by the fiscal body.

(2) The taxpayer is to compute the amount of the tax obligation in the tax declaration, if so provided by law.

(3) The taxpayer is obliged to fill in the tax declaration by specifying the information required in the form according to his/her fiscal status, of a correct, complete manner and in good faith. The tax declaration is to be signed by the taxpayer or by his/her empowered person.

(4) The tax declaration is to be accompanied by the documentation as required by legal provisions.

(5) For certain tax obligations categories as provided by an order of the Minister of Public Finance, the fiscal body may send the declaration forms for taxes, fees, contributions and other amounts owed to the general consolidated budget, instructions for filling in, other useful information and self-addressed envelopes to taxpayers. In such case, the mailing cost is to be borne by the fiscal body.

Art. 80 Submission of tax declarations

(1) The tax declaration is to be submitted to the registration office of the competent fiscal body, or by mail, through a registered letter. The tax declaration can be transmitted by electronic means or by distance transmission systems, according to the procedure provided by an order of the Minister of Public Finance.

(2) Tax declarations may be prepared by the fiscal body in form of minutes, provided that the taxpayer is unable to write for reasons beyond his/her will.

(3) The date of submission of tax declarations is the date of such tax declaration registration at the fiscal body or the date of its submission to the post office, as the case may be.

(4) Failure to submit the tax declaration is to give the fiscal body the right to proceed to the ex officio assessment of tax obligations, by estimating the taxation base according to Art. 65. The ex-officio assessment of tax obligation cannot be performed before the end of a 15 day period after the taxpayer' s information as regards the failure to observe the legal deadline for the submission of the tax declaration.

Art. 81 Correction of tax declarations

Tax declarations may be corrected by the taxpayer on own initiative.

TITLE VIDetermination of taxes, fees, contributions and other amounts owed to the general consolidated budget

CHAPTER IGeneral provisions

Art. 82 Assessment of taxes, fees, contributions and other amounts owed to the general consolidated budget

(1) Taxes, fees, contributions and other amounts owed to the general consolidated budget are to be assessed as follows:

a) by a tax declaration, under the conditions of Art. 79, par. (2) and Art. 83, par. (4);

b) by a decision issued by the fiscal body, for the rest of cases.

(2) Provisions in par. (1) are to apply also in cases that taxes, fees, contributions and other amounts owed to the general consolidated budget are exempt from payment, according to legal regulations, as well as in case of a value-added tax refund.

Art. 83 Tax decision

(1) The tax decision is to be issued by the competent fiscal body. The fiscal body is to issue a tax decision whenever it modifies the taxation base.

(2) For receivables that are administered by the Ministry of Public Finance through the National Agency for Tax Administration, other competences for the issuance of tax decisions as a result of the tax audit may be established as

well, by an order of the Minister of Public Finance.

(3) The tax decision is to be issued, if necessary, also in case that no decision regarding the taxation base as per Art. 86 was issued.

(4) The tax declaration prepared according to Art. 79 par. (2) is to be assimilated to a tax decision, under the reserve of further verifications.

(5) In case the law does not provide for the obligation to re-compute the tax, the tax declaration is to be assimilated to a decision referring to the taxation base.

(6) The tax decision and the decision referring to ancillary payment obligations are also payment notifications as of the date of communication thereof.

Art. 84 Form and content of the tax decision

The tax decision must meet the conditions provided in Art. 42. Beside the elements provided in Art. 42, par. (2), the tax decision is to include the category of tax, fee, contribution or other amount due to the general consolidated budget, the taxation base as well as their tax amount due, separately for each taxable period.

Art. 85 Fiscal administrative acts assimilated to tax decisions

The following fiscal administrative acts are to be assimilated to taxation decisions:

a. decisions regarding value-added tax refunds and decisions regarding refunds of taxes, contribution and other amounts due to the general consolidated budget;

b. decisions referring to the taxation bases;

c. decisions as regards ancillary payment obligations.

Art. 86 Decisions referring to taxation bases

Taxation bases are to be determined separately, by a decision regarding taxation bases in the following cases:

a) when the taxable income is obtained by several persons. The decision is to include also the distribution of the taxable income per each person that participated in the realisation of such income;

b) when the source of the taxable income is located within the jurisdiction of a fiscal body, different from the competent territorial one. In such case, the competence to determine the taxation base is to stay with the fiscal body within whose jurisdiction the income source is located.

(2) In case the taxable income is obtained by several persons, then such persons may appoint a jointly empowered person to carry out the relation with the fiscal body.

Art. 87 Determination of tax obligations under the reserve of further verification

(1) The amount of fiscal obligations is to be determined under the reserve of further verifications.

(2) The tax decision under the reserve of further verification may be cancelled or amended upon the initiative of the fiscal body or upon the taxpayer' s application, based on the findings of the competent fiscal body.

(3) The reserve of further verification is to be cancelled only after the end of the statute of limitation or as a result of the tax audit carried out within such limitation period.

CHAPTER II Limitation of the right to determine tax obligations

Art. 88 Subject, deadline and beginning of the statute of limitation of the right to assess tax obligations

(1) The fiscal body right to determine tax obligations is limited to five years, unless otherwise provided by law.

(2) The statute of limitation of the right provided in par. (1) is to begin as of 1st January of the year following the year when the tax receivable arose according to Art. 23, unless otherwise provided by law.

(3) The right to asses tax obligations is to be limited to 10 years, provided that such obligations result from a criminal law violation committed as provided by criminal law.

(4) The deadline in par. (3) is to begin as of the date of committing the fact that is a criminal law violation and is to be sanctioned as such by a final court decision.

Art. 89 Interruption and suspension of statute of limitation for the right to assess tax obligations

(1) The deadline provided in Art. 88 is to be interrupted and suspended by the law regarding the interruption and suspension of the statutes of limitation of the right to act according to the common law.

(2) The statute of limitation of the right to assess the fiscal obligation is to be suspended for the period between the moment of beginning the fiscal audit and the moment of issuance of the tax decision, as a result of carrying out the fiscal audit.

Art. 90 Effect of the expiry of statute of limitation of the right to assess tax obligations

If the fiscal body ascertains that the statute of limitation of the right to assess tax obligations expired, such fiscal body is to proceed to the cease of the procedure of issuing the tax receivable title.

TITLE VIITax audit

CHAPTER I Scope of the tax audit

Art. 91 Tax audit subject and functions

(1) The subject of tax audits is to verify the taxation bases, the legality and the conformity of tax declarations, the accuracy and exactness of the taxpayers' compliance with obligations, the observance of the accounting and fiscal legislation provisions, the assessment of differences in payment obligations, as well as their related ancillaries.

(2) The tax audit is to have the following tasks:

a) to fiscally ascertain and investigate all documents and facts that result from the activity of the taxpayer that is subject to the audit or of other persons as regards the legality and conformity of tax declarations, the accuracy and exactness of the compliance with tax obligations, in order to discover new elements that are relevant for the application of fiscal provisions;

b) to analyse and assess fiscal data in order to compare tax declarations with the own information or information obtained from other sources;

c) to sanction the facts ascertained, according to law, and to enforce measures for the prevention and fight against deviations from the fiscal legislation.

(3) In order to comply with tasks under par. (2), the tax audit body is to carry out the following:

a) to examine documents in the taxpayer's fiscal file;

b) to verify the concordance between data in tax declarations and data in the taxpayer's accounting records;

c) to discuss findings and to request explanations in writing from the legal representatives of taxpayers or their empowered persons, as the case may be;

d) to request information from third parties;

e) to assess differences of tax obligations due;

f) to verify places where activities that generate taxable incomes are carried out;

g) to enforce precautionary measures, under the law;

h) to carry out tax investigations, according to par. (2), letter a);

i) to enforce sanctions, according to legal provisions.

Art. 92 Persons subject to tax audit

The tax audit is to be carried out in respect to all persons, irrespective of their organisation form, that are obliged to assess, withhold and pay taxes, fees, contributions and other amounts due to the general consolidated budget, as provided by law.

Art. 93 Forms and scope of tax audit

(1) Forms of the tax audit forms are to be as follows:

a) general tax audit, that is the activity of verification of all categories of a taxpayer' s tax obligations for a determined period.

b) partial tax audit, that is the activity of verification of one or more than one tax obligations for a determined period.

(2) The tax audit can be extended over all relations that are relevant for taxation purposes, provided that such relations are of interest for the application of the fiscal law.

Art. 94 Tax audit procedures

(1) In carrying out its functions, the tax audit may apply the following audit procedures:

a) random audit, which consists in the selective verification of significant documents and operations whereby reflecting the methods of computation, recording and payment of the tax obligations due to the general consolidated budget;

b) unannounced audit, which consists in the activity of verification of facts and documents mainly as a result to an information regarding the existence of certain violations of fiscal legislation, without previously notifying the taxpayer;

c) crossed audit, which consists in the verification of documents and taxable operations of the taxpayer in correlation to those held by other persons; the crossed audit may also be an unannounced audit.

(2) At the end of the unannounced audit, a minutes is to be concluded.

Art. 95 Period subject to tax audit

(1) The tax audit is to be carried out within the statute of limitation for the right to assess tax obligations.

(2) For large taxpayers, the period subject to tax audit is to begin as of the end of the period which was previously audited, in compliance with par. (1).

(3) For the other categories of taxpayers, the tax audit is to be carried out upon the receivables arisen within the last three fiscal years for which there is an obligation to submit tax declarations. The tax audit can be extended over the statute of limitation of the right to assess tax obligations provided that:

a) there are indications as regards diminishing taxes, fees, contributions and other amounts owed to the general consolidated budget;

b) no tax declarations were submitted;

c) obligations of payment of taxes, fees, contributions and other amounts due to the general consolidated budget were not satisfied.

CHAPTER IICarrying out tax audit

Art. 96 Competence

(1) The tax audit is to be carried out exclusively, directly and with no limitations throughout the National Agency for Tax Administration or, as the case may be, by specialist departments of authorities of local public administration, according to provisions of this title or by other authorities that are competent by law to administer taxes, fees, contributions and other amounts due to the general consolidated budget.

(2) Within the National Agency for Tax Administration, the competence to carry out the tax audit is to be established through the statutory law, approved in compliance with the law.

(3) Competence regarding the performance of tax audits may be delegated to a different fiscal body.

Art. 97 Taxpayers selection for tax audit purposes

(1) The competent fiscal body is to be in charge with the selection of taxpayers to be subject to tax audits.

(2) The taxpayer cannot object as regards the selection procedure used.

Art. 98 Notification of tax audit

(1) Prior to carrying out a tax audit, the fiscal body is obliged to inform taxpayers about the intended action, by a notification of tax audit.

(2) The notification of tax audit is to include the following:

a) the tax audit legal grounds;

b) the date when the tax audit is likely to commence;

c) the tax obligations and periods that are subject to the tax audit.

d) the possibility to apply for a postponement of the date of beginning the tax audit. The postponement of the tax audit date can only be applied for once, based on well-grounded reasons.

Art. 99 Communication of notification of tax audit

(1) The tax audit notification is to be communicated to the taxpayer in writing, before the beginning of the tax audit, as follows:

a) 30 days before, for large taxpayers;

b) 15 days before, in the other cases.

(2) The communication of the tax audit notification is not required in the following cases:

a) for the solution of certain taxpayer' s applications;

b) for actions that are carried out further to the request from other authorities, under the law;

c) in case of unannounced audit.

Art. 100 Place and period of carrying out tax audit

(1) A tax audit is to be generally carried out at the taxpayer' s business premises. The taxpayer has to make available an adequate room and the logistics required for the performance of the audit.

(2) In the absence of an adequate work place for the performance of the audit, the audit activity can be carried out at the location of the fiscal body or in any location as mutually agreed upon with the taxpayer.

(3) Irrespective of the place where the tax audit is carried out, the fiscal body has the right to inspect the places where activity is carried out, in the presence of the taxpayer or of a person designated by him/her.

(4) As a rule, the tax audit is to take place during the taxpayer' s working hours. The tax audit may also be carried out outside the taxpayer' s working hours, with the taxpayer' s written acceptance and with the approval of the head of the fiscal body.

Art. 101 Duration of of performance of a tax audit

(1) The duration of carrying out a tax audit is to be determined by the tax audit bodies or, as the case may be, by specialist departments of authorities of local public administration, depending on the objectives of the audit and it cannot exceed 3 months.

(2) In case of large taxpayers or taxpayers that have secondary locations, the audit duration cannot exceed 6 months.

Art. 102 Rules as regards the tax audit

(1) The tax audit is to have in view the examination of all facts and legal relations that are relevant for taxation purposes.

(2) The tax audit is to be carried out so as to have a minimum impact on the current activity of the taxpayers and to use efficiently the time scheduled for the audit.

(3) The tax audit is to be carried out only once for each tax,fee,contribution and other amount due to the general consolidated budget and for each period that is subject to taxation. By way of derogation, the head of the competent tax audit body may decide to re-verify facts and documents within a certain period provided that, as of the date of completion of the tax audit and until the expiry of the statute of limitation, additional information, which tax auditors were not aware of upon the audit or errors of computation arise, which may influence such results.

(4) In case that the result of the investigation of criminal cases by competent bodies is the non existence of a prejudice, then the re-verification ordered based on par. (3) is not to be followed by the issuance of a tax decision.

(5) The tax audit is to be carried out based on principles of independence, singleness, autonomy, hierarchical approach, territoriality and de-centralisation.

(6) The tax audit activity is to be organised and carried out based on certain annual, quarterly and monthly schedules, which are to be approved in accordance with an order of the president of the National Agency for Tax Administration, or by acts of authorities of local public administration, as the case may be.

(7) Upon the initiation of tax audits, the auditor is required to show his/her audit identity card as well as the duty order, signed by the head of the fiscal bodies, to the taxpayer. The beginning of the tax audit is to be recorded in the single audit register.

(8) Upon the end of tax audit, the taxpayer is obliged to prepare a written statement on own responsibility, to show that all documents and information required for the tax audit were made available. The statement is also to include the specification that all requested documents that were made available were returned to such taxpayer.

(9) The taxpayer is obliged to comply with the measures provided in the document prepared upon the tax audit, within the deadlines and conditions as determined by the tax audit bodies.

Art. 103 The taxpayer’ s obligation to collaborate

(1) The taxpayer is obliged to collaborate in ascertaining the actual tax state of fact. He/she is to provide information, to make available all documents at the audit location, and to provide any other information as necessary for the clarification of actual facts that are relevant for taxation purposes.

(2) Upon the beginning of the tax audit, the taxpayer is to be informed that he/she may designate persons to provide information. Provided that the information provided by the taxpayer or by the person appointed by him/her is insufficient, the tax auditor may contact other persons as well to obtain information.

(3) During the entire duration of carrying out the tax audit, taxpayers that are subject to such tax audit have the right to benefit from specialist or legal assistance.

Art. 104 Taxpayer’ s right to be informed

(1) The taxpayer is to be informed during the tax audit on significant findings resulted from the tax audit.

(2) Upon the completion of the tax audit, the tax audit bodies are to present their findings and fiscal consequences to the taxpayer, and are to allow such taxpayer the possibility to express his/herpoint of view according to Art. 9 par. (1) in this code, except for the case when the taxation basses suffered no modification further to the tax audit or in case the taxpayers waives such rightand notifies the tax audit bodies on such decision.

(3) The date, the time and the place of presentation of conclusions are to be communicated to the taxpayer in due time.

(4) The taxpayer has the right to present in writing his/herpoint of view regarding the findings of the tax audit.

Art. 105 Informing prosecution bodies

(1) Fiscal bodies are to notify the criminal investigation bodies of findings during the tax audit, which might meet the constitutive elements of a criminal law violation, under the conditions provided by the Criminal Law.

(2) In cases provided in par. (1), fiscal bodies are required to prepare a minutes signed by the taxpayer that is subject to the audit, with or without explanations or objections from the taxpayer. In case the taxpayer that is subject to the audit refuses to sign such minutes, the tax audit body is to record such fact in the minutes. In all cases, the minutes is to be communicated to the taxpayer.

Art. 106 Report on the result of a tax audit

(1) The result of a tax audit is to be mentioned in a written report that includes findings of the audit from both a factual and a legalpoint of view.

(2) Provided that, as a result of the audit, the tax base changes, the report prepared is to ground the issuance of the tax decision. If no changes occur to the taxation base, then the taxpayer is to be advised of this situation in writing.

(3) In case that, as a result of carrying out a tax audit, the criminal investigation bodies were not notified, the tax decision referring to the subject to the criminal notification may be issued after the final solution of the criminal case.

TITLE VIII Collection of tax receivables

CHAPTER I General provisions

Art. 107 Collection of tax receivables

(1) For purposes of this title, the collection consists in carrying out actions in view of the settlement of tax receivables.

(2) The collection of tax receivables is to be carried out based on a receivable title or based on an execution title, as the case may be.

(3) The receivable title is the document that determines and specifies the tax receivable, which is prepared by the competent bodies or by persons authorised by law.

Art. 108Payment deadlines

(1) Tax receivables are to become outstanding upon the expiry of the deadlines provided in the Fiscal Code or in other regulating laws.

(2) For the differences of main and ancillary tax obligations as determined by law, the payment deadline is to be determined depending on the communication date, as follows:

a) if the communication date is between the 1st and the 15th day of the month, the payment deadline is to be on or before the 5thday of the following month;

b) if the communication date is between the 16th and the 31st of the month, the payment deadline is to be on or before the 20th of the following month;

(3) For fiscal obligations with scheduled or deferred payment, as well as for ancillaries thereof, the deadline is to be established by the document by which such payment incentive is granted.

(4) For tax receivables that are administered by the Ministry of Public Finance for the payment of which no deadlines are provided, such deadlines are to be established by an order of the Minister of Public Finance.

(5) For fiscal receivables to the local budgets that have no payment deadlines provided, such deadlines are to be established by a joint order of the Minister of Administration of Home Affairs and the Minister of Public Finance.

(6) Social contributions that are administered by the Ministry of Public Finance, after their computation and withholding according to the relevant provisions, are to be transferred on or before the 25th day of the month following the month for which the payment of salary rights is made.

CHAPTER II Settlement of tax receivables through payment, off-set and refund

Art. 109 Provisions regarding the performance of the payment

(1) Payments to fiscal bodies are to be performed through banks, treasuries and other institutions that are authorised to carry out payment operations.

(2) Debtors are to pay their tax obligations distinctly for each tax, fee, contribution or other amounts due to the general consolidated budget, including late payment interest and increased amounts.

(3) In case of settlement through the payment of tax obligations, the moment of payment is to be as follows:

a) for cash payments, the date recorded on the payment document issued by the bodies or persons authorised by the fiscal body;

b) for payments performed through a postal order, the post office date, as mentioned on such postal order;

c) for payments performed by bank disbursement, the date when banks debit the account of the payer based on specific disbursement instruments, as confirmed by their authorised stamp and signature, except for the case provided in Art. 116.

d) for tax obligations that are settled by cancellation of mobile tax stamps, the date of registration at the competent body of the document or the act for which the stamps due by law were submitted and cancelled.

Art. 110 Sequence of debts settlement

(1) If a taxpayer owes several types of taxes, fees, contributions and other amounts that are tax receivables as provided in Art. 21 par. (2) lett. a), and the amount paid is not sufficient to settle all debts, then debts of such type of main tax receivables as the taxpayer decides are to be settled.

(2) Within the type of tax, fee, contribution or other amounts, as determined by the taxpayer, the payment is to be made in the following sequence:

a) amounts owed for instalments in schedules of payment of fiscal obligations for which scheduled or deferred payments were approved, as well as interest that are payable during the period of the scheduled and/or deferred payment and that are paid by law;

b) main fiscal obligation whose deadline is during the current year, as well as ancillaries thereof, in the sequence of length thereof;

c) fiscal obligations due and unpaid on the 31st December of the prior year, following the sequence of their length, until the full settlement thereof;

d) late payment interest and increased amounts related to tax obligations as provided in lett.c);

e) tax obligations with future deadlines, upon the debtor's request.

(3) For receivables to the local budget, in the category of fiscal obligation as provided in par. (2) lett. b), priority is given to the settlement of obligations assessed as a result of a tax audit.

(4) Unless the debtor performs the payment of fiscal obligations according to par. (2), the tax creditor is to resort to the settlement of tax obligations under its administration, according to the sequence of payment as regulated by this Code, and is to advise the taxpayer on such settlement within 10 days as of the date of settlement.

(5) Any payment performed after the communication of a summon within the forced execution is to settle the first the fiscal obligation that was established in the execution title.

Art. 111 Offset

(1) By offsetting, receivables administered by the Ministry of Public Finance are to be settled against the debtor's receivables, which consist in amounts to be reimbursed or refunded from the budget, down to the lower of either amount, when both parties mutually acquire the capacity of a creditor and a debtor, unless otherwise provided by law.

(2) Tax receivables administered by the territorial-administrative units is to be settled by offsetting receivables of the debtor which consist in amounts to be refunded from local budgets down to the lowest amount, when both parties mutually acquire both the capacity of a creditor and a debtor, unless otherwise provided by law.

(3) The offset is to be performed by the competent fiscal body upon the debtor's application or prior to the reimbursement or the refund of the rightful amounts of such debtor, as the case may be, by observing the sequence

in Art. 110, par.(2).

(4) The fiscal body may carry out an offset ex officio whenever the existence of reciprocal receivables is ascertained.

(5) The debtor' s receivables are to offset obligations due to the same budget, and further on the remaining difference offsets obligations due to the other budgets, by observing the following priority sequence:

a) the State budget;

b) the risk fund for state guarantees, for foreign loans;

c) the state social security budget;

d) the budget of the Single National Health Insurance Fund;

e) the unemployment fund.

(6) Provisions of par. (5) are not applicable in case of local budget receivables

(7) The competent fiscal body is to notify the debtor in writing about the offsetting measure taken according to par. (3) within 7 days as of the date of carrying out such operation.

Art. 112 Refunds

(1) The following amounts are to be refunded to the debtor upon his/her request:

a) amounts paid in the absence of a receivable title;

b)amounts paid in excess to the tax obligation;

c) amounts paid due to a computation error;

d) amounts paid due to the erroneous implementation of legal provisions;

e) amounts to be refunded from the State budget;

f) amounts established by a decision of judicial bodies or other bodies that are competent under the law;

g) amounts remaining after the distribution as provided in Art. 166;

h) amounts resulting from the sale of seized goods, or from withheld amounts due to sequestration, as the case may be, based on a final and irrevocable court decision for theenforcement of the cancellation of forced execution.

(2) By way of derogation from provisions or par. (1), amounts to be refunded that are tax differences resulted from the annual adjustment of the income tax that is owed by individuals are to be refunded by competent fiscal bodies ex officio, within not more than 60 days after the tax decision communication date.

(3) In case of refund of foreign currency amounts confiscated, such operation is to be performed by law in ROL at the reference exchange rate for EUR as communicated by the National Bank of Romania for the date when the court decision enforcing the refund remains final and irrevocable.

(4) If the debtor registers outstanding tax obligations, then amounts in par. (1) and (2) are to be refunded only after the performance of offset according to this Code.

(5) If the amount to be reimbursed or refunded is less than the debtor' s outstanding tax obligations, then the offset is to be performed down to the lowest amount to be reimbursed or refunded.

(6) If the amount to be reimbursed or refunded exceeds the debtor' s outstanding tax obligations, then the offset is to be performed down to the lowest amount of outstanding tax obligations, and the difference resulting thereof is to be refunded to the debtor.

(7)The procedures of reimbursement and refund of amounts from the budget, including the modality to grant interest as provided in Art. 119 are to be approved by an order of the Minister of Public Finance.

Art. 113 Obligation of banks that are subject to special monitoring or administration regime

Banks that are under special monitoring or special administration regime and make payments as ordered within the limit of the daily collection are to prioritise the daily settlement of amounts from tax obligations as included in the payment orders issued by debtors and/or tax receivables included in the

collection orders issued by the execution bodies.

CHAPTER IIILate payment interest and increased amounts

Art. 114 General provisions on late payment interest and increased amounts

(1) Failure to pay tax obligations upon the deadline results in the debtor’ s obligation to pay late payment interest and increased amounts.

(2) No late payment interest and increased amounts is to be due for amounts payable as fines, late payment interest and increased amounts determined under the law.

(3) Late payment interest and increased amounts are to be revenues to the budget to which the main receivable belongs.

Art. 115 Interest

(1) Interest are to be computed per day, beginning the day that follows the deadline when the debt becomes due, until the settlement date of the amount payable inclusively.

(2) By way of derogation from par. (1), interest amounts are to be payable as follows:

a) for differences of taxes, fees, contributions, as well as those that are administered by customs bodies as determined by competent bodies, interest amounts are to become due beginning the day that follows the deadline for the payment of the tax, the fee, orthe contribution, for which the difference was determined, until the date of settlement thereof, inclusively;

b) for taxes, fees and contributions that are settled by forced execution, interest amounts are to be computed until the date of the preparation of the minutes of distribution, inclusively. For instalment payments, interest amounts are to be computed until the date of preparation of the minutes of distribution for the anticipatory payment. For the remaining amount due, interest is to be payable by the buyer.

c) for taxes, fees and contributions of a debtor that was declared insolvent, interest amounts are to be computed until the date of the minutes ascertaining

suchinsolvency, inclusively;

(3) The manner of computation of the interest related to amounts of possible differences between the amount of the profit tax paid on the 25th January of the year following the assessment year and the amount of the profit tax due according to the tax declaration prepared based on the annual financial statement is to be regulated by methodological norms, approved by an order of the Minister of Public Finance.

(4) For tax obligations unpaid on or before the deadline for the payment of the global income tax, the interest is to become be due as follows:

a) for the fiscal taxation year, the interest for anticipatory payments as determined by tax bodies by decisions of anticipatory payment is to be computed until the date of the debit or, as the case may be, until the 31st December;

b) interest for amounts unpaid during the taxation year according to lett. a) are to be computed as of 1stJanuary of the following year until their settlement, inclusively;

c) in case the income tax assessed by the annual tax decision is lower than that assessed by decisions for anticipatory payment, interest amounts are to be re-computed as of 1st January of the year following the assessment year, at the unpaid balance compared to the annual tax as assessed by the annual tax decision, followed by an appropriate adjustment of interest.

(5) The interest is to be determined by a Government decision, upon the proposal of the Ministry of Public Finance, correlated with the reference interest rate of the National Bank of Romania, once a year, in December for the following year or in the course of the year, if the rate varies by more than 5 percents.

Art. 116 Late payment interest and increased amounts for payments made by bank disbursement

(1) Failure of banks to settle amounts payable to the general consolidated budget within 3 working days as of the date when the payer account is debited is not to exonerate the payer from the obligation to pay such amounts and is to trigger late payment interest and increased amounts equal to those in Art. 115 and 120, after the expiration of the 3 day period.

(2) For the recovery of amounts payable to the budget that are not settled by banks, as well as for the recovery of late payment interest and increased amounts as provided in par. (1), the payer may act against such bank unit.

Art. 117 Late payment interest and increased amounts in case of offset and of the opening of procedure of judicial reorganisation

(1) In case of tax receivables settled by offset, late payment interest and increased amounts are to be payable until the date of settlement, inclusively. For offsets performed upon request, the settlement date is to be the date of submission of the application for offset to the competent authorities, while for the offset performed before the reimbursement or refund of the amounts rightful for the debtor, the date of settlement is to be the date of submission of such reimbursement/refund application.

(2) In case that, further to the audit or the analysis of the application for offset, the amount to be offset is less than the amount mentioned in the application for such offset, then late payment interest and increased amounts are to be re-computed for the difference remaining as of the date of registration of the application for offset.

(3) For tax obligations that are settled through the offset procedures as provided by special normative acts regulating thereof, the date of settlement is to be the date when the offset as provided in the normative act or in the application norms approved by an order of the Minister of Public Finance is performed.

(4) For tax obligations that are unpaid within the deadline, both before and after the initiation of the procedure of judicial reorganisation, late payment interest and increased amounts are to become payable as of the date of the initiation of the bankruptcy procedure. For fiscal obligations raised after the date of inception of the bankruptcy procedurethat are unpaid within the deadline, no late payment interest or increased amounts are to be payable.

Art. 118 Interest for payment incentives

Interest is to be payable for the period when incentives were granted for the payment of outstanding payment obligations.

Art. 119 Interest for amounts to be reimbursed or refunded from the budget

(1) For amounts to be reimbursed or refunded from the budget, taxpayers are entitled to an interest as of the day following the day of the deadline in Art. 112 alin.(2) or Art.199, as the case may be. The grant of interest is to be performed upon the taxpayers request.

(2) The amount of the interest is to be that under Art. 115, par. (5) and is to be borne from the same budget and the same budgetary revenue from which amounts applied for by payers are reimbursed or refunded.

Art. 120 Late payment increased amounts

(1) Late payment of tax obligations is to be sanctioned by late payment increased amounts worth 0.5% per month and/or fraction of month of delay, as of the first day of the month following their deadline, until their settlement date, inclusively. Late payment increased amounts are not to remove the liability to pay interest.

(2) For cases provided in Art. 115, par. (3) and (4), late payment increased amounts are to be subject to the regime established for interest.

(3) Late payment increased amounts are to be due until the date of the beginning the forced execution procedure.

(4) If payment incentives were allowed, late payment increased amounts are to be payable until the first day of the month when such incentives were allowed. Failure to observe payment incentives, as allowed, is to result in the computation of late payment increased amounts as of the date when incentives are no longer valid, according to the law.

(5) The amount of late payment increased amounts may be modified annually by the State Budget law.

CHAPTER IVPayment incentives

Art. 121 Incentives for the payment of tax obligations

(1) Upon the taxpayers well-grounded application, the competent fiscal body may allow payment incentives for outstanding fiscal obligations, both before

and during the forced execution procedure, by law.

(2) Upon the well-grounded application of debtors that are individuals or legal persons, local budgetary creditors, through the authorities of the local public administration that administer such law, may allow the following payment incentives for outstanding payment obligations that they administer:

a) schedules for the payment of taxes, fees, rental fees, royalties, contributions and other obligations to the local budget;

b) deferred payment of taxes, fees, rental fees, royalties, contributions and other obligations to the local budget

c) schedules for the payment of interest and/or increased amounts of any type, except interest owed during the schedule period;

d) deferrals and/or exemptions or deferrals and/or reductions of interest and/or late payment increased amounts, except interest owed during the deferral period;

e) exemptions or reductions of local taxes and fees, under the law.

(3) The procedure of granting payment incentives for local budgetary receivables is to be established by special normative acts.

(4) For the allowance of payment incentives, local budgetary creditors are to request the debtors to constitute guarantees.

(5) For obligations to the local budget that are due and unpaid after the date of 1st July 2003 by individuals, the guarantee is as follows:

a) an amount equal to two average instalments in the schedule, which in the case of scheduled payments mean the scheduled local budget liabilities and interest computed thereof;

b) an amount resulted from the division of the counter value of deferred debts and computed interest by the number of months approved for the deferred payment, in case of deferred payments.

(6) For obligations to the local budget that are owed and unpaid after the date of 1st July 2003 by individuals, the guarantee is 100% of the total amount of the local budgetary receivable for which the incentive was allowed.

CHAPTER V Constitution of guarantees

Art. 122 Constitution of guarantees

The fiscal body is to request the constitution of a guarantee for the following:

a) the suspension of the forced execution according to Art. 143, par. (6);

b) the removal/cancellation of precautionary measures;

c) taking over the payment obligation by another person by a payment commitment in compliance with Art. 25, par. (2), letter d);

d) other cases under the law.

Art. 123 Types of guarantees

By law, guarantees for the measurements under Art. 122 can be constituted by:

a) depositing amounts of money at a State Treasury unit;

b) a bank guarantee letter;

c) a mortgage on real estate that is located in Romania;

d) a pledge on movable goods;

e)a surety.

Art. 124 Use of guarantees

Under the law, the competent body is to use the guarantees deposited if the purpose for which they were requested was not achieved.

CHAPTER VI Precautionary measures

Art. 125 Seizure and precautionary sequester

(1) Precautionary measures under this chapter are to be ordered and accomplished through administrative procedures by the competent fiscal bodies.

(2) Precautionary measures are to be taken in form of precautionary seizure and sequester on the debtor' s movable and/or immovable goods, and on his/her income, whenever there is a potential for the avoidance of obligations, conceal or dispose of the patrimony by such debtor, that may thus significantly endanger or hinder the collection, as well as in the case of suspension of the administrative act as provided in Art. 184.

(3) Such measures can also be taken even if the receivable was not individualised yet and did not become due. Precautionary measures ordered both by competent fiscal bodies and the law courts or other competent bodies are to remain in force throughout the forced execution process with no further formality required, unless cancelled by law. Upon the receivable individualisation and becoming due, precautionary measures are to become enforcement measures.

(4) Precautionary measures are to be ordered by a decision issued by the competent fiscal bodies. The decision is to include the fiscal bodies' specification to the debtor that such precautionary measures are to be cancelled further to providing a guarantee equal to the receivable assessed or estimated, as the case may be.

(5) The decision to enforce precautionary measures must be justified and signed by the head of the competent fiscal body.

(6) The precautionary measures ordered in compliance with par. (2), as well as measures decided by law courts or by other competent bodies are to be applied in compliance with provisions regarding the forced execution, which are to apply adequately.

(7) In case of deciding the precautionary sequester over real estate, a copy of the minutes prepared by the enforcement body is to be communicated to the Land Book Office for registration purposes.

(8) The registration is to turn the sequester opposable to all those that acquire any right over such real estate after the registration. The ordering documents which might occur further to the registration in compliance withArt.

(7) are to become fully null.

(9) Unless the value of the debtor' s own goods fully covers the budgetary receivable of the general consolidated budget, precautionary measures may also be taken regarding the goods held by the debtor under joint ownership with third parties for the share-quota held by such third parties.

(10) The person concerned may contest the documents by which precautionary measures are ordered and carried out in compliance with provisions of Art. 168.

Art. 126 Cancellation of precautionary measures

The precautionary measures enforced according to Art. 125 are to be cancelled by a grounded decision of tax creditors, provided that the reasons for which such precautionary measures were ordered or for the incorporation of the guarantee according to Art. 123 ceased, as the case may be.

CHAPTER VII

Limitation of the right to request forced execution and offset or refund

Art. 127 Initiation of the statute of limitation

(1) The right to request the forced execution of tax receivables is to be limited within 5 years as of 1st January of the year following the year when such right arose.

(2) Statutes of limitation under par. (1) are also to apply to tax receivables resulting from fines due to civil law violations.

Art. 128 Suspension of the statute of limitation

The statute of limitation mentioned under Art. 127 is to be suspended as follows:

a) in the cases and under the terms as established by law for the suspension of the statute of limitation of the right to action;

b) in the cases and under the terms that the suspension of execution is provided under the law or was decided by court or by other competent authority, by law;

c) throughout the validity period of the incentive granted by law;

d) as long as the debtor hides in bad faith revenues or goods from the forced execution;

e) in other cases as provided by law.

Art. 129 Interruption of statute of limitation

The statutes of limitation provided in Art. 127 is to be interrupted as follows:

a) in the cases and under the terms established by law for the interruption of the statute of limitation of the right to action;

b) upon the date when the debtor carries out a voluntarily action for the payment of the obligation provided in the execution title or for the recognition of such debt, in any other way, prior to the initiation of forced execution or during such forced execution;

c) upon the date when, during the forced execution, a forced execution deed is performed;

d) upon the date when a document is prepared ascertaining the taxpayer’ s insolvency by law;

e) in other cases as provided by law.

Art. 130 Effects of expiry of the statute of limitation

(1) Provided that the execution body ascertains the expiry of the statute of limitation of the right to request the forced execution of tax receivables, such execution body is to proceed to the cease of measures of realising such tax receivables and the removal thereof from the analytic records per payers.

(2) Amounts paid by the debtor for the account of tax receivables after the expiry the statute of limitation are not to be refunded.

Art. 131 Limitation of the right to request offset or refund

The taxpayers' right to apply for the offset of the refund of tax receivables is subject to limitation to 5 years as of 1st January of the year following the year when the right to offset or refund arose.

CHAPTER VIIISettlement of tax receivables through forced execution

SECTION 1

General provisions

Art. 132 Forced execution bodies

(1) In case the debtor fails to pay voluntarily tax obligations due, the competent fiscal bodies are to proceed to forced execution actions for the settlement of tax obligations in compliance with this Code.

(2) Fiscal bodies that administer tax receivables are authorised to implement precautionary measures and to carry out the forced execution procedure.

(3) Budgetary receivables collected, administered, accounted and used by public institutions that are derived from own incomes, as well as those resulting from contractual legal relations are to be executed through the own bodies, which are authorised/competent to carry out the precautionary measures and to carry out the forced execution procedure according to the provisions of this Code.

(4) Bodies provided in par. (2) and (3) are to be hereinafter called forced execution bodies.

(5) In order to carry out the forced execution procedure, the body within whose jurisdiction the traceable goods are located is to be the competent body, while the enforcement body within whose jurisdiction the debtor has the

fiscal domicile is to co-ordinate the entire execution procedure. In case the forced execution is carried out by seizure, the co-ordination execution body may proceed to apply such execution measure over a seized third party, irrespective where such party has the fiscal domicile.

(6) Whenever a danger of disposal, replacement or purloin of forced execution of traceable goods and income of the debtor become obvious, the execution body within whose jurisdiction the fiscal domicile of the debtor is located may proceed to immobilisation and forced execution of such goods, irrespective of their location.

(7) The co-ordinating execution body is to notify the other bodies in compliance with par. (5) in writing, by communicating the execution title in a certified copy, as well as the status of the debtor, the account where the amounts collected will be transferred, and any other information that might be necessary for the identification of the debtor and of the traceable goods or incomes.

(8) In case the execution procedure was initiated for the same incomes or goods of the debtor, both for the realisation of execution titles regarding tax receivables and for titles which are executed under the conditions provided by other legal provisions, the forced execution is to be carried aut, according to the provisions of this Code, by the execution bodies as provided by such code.

(9) Whenever the debtor' s fiscal domicile is ascertained as being within the territorial jurisdiction of a different execution body, the execution title together with the execution file are to be sent to such execution body and if necessary, the body that sent the execution title is to be notified.

Art. 133 Forced execution in case of joint debtors

(1) In case of joint debtors, the co-ordinating execution body is to be the body within whose territorial jurisdiction the debtor has the fiscal domicile or related to which there are indications that the debtor holds most of his/her traceable incomes or goods.

(2) The co-ordinating execution body is to record the entire debit in his/her records and is to take forced execution actions, by communicating the entire debt amount to each execution bodies within whose territorial jurisdiction the other co-debtors fiscal domiciles are located, and provisions of Art. 132 are to apply.

(3) Notified execution bodies that were informed of the debt, after recording such debt in an individual record, are to take forced execution measures and are to communicate to the co-ordinating execution body the amounts realised in the debtor' s account within 10 days of such amounts realisation.

(4) If the co-ordinating execution body that keeps the records of the entire debt ascertains that such debt amount was realised following to forced execution actions that were carried out by itself and by the other bodies informed according to par. (3), such co-ordinating execution body is obliged to request in writing to the other bodies to immediately cease the forced execution procedure.

Art. 134 Execution officers

(1) Forced execution is to be carried out by the competent forced execution body through execution officers. Such officers must hold a job identity card that they must show during the performance of such activity.

(2) The execution officer is to be empowered as regards the debtor and third parties through the execution officer' s identity card and the delegation paper issued by the forced execution body.

(3) In carrying out their duties for the application of forced execution procedures, execution officers may act as follows:

a) enter any business premises of the debtor that is a legal person, or other premises where he stores goods for the purpose of identification of goods or valuables that may be subject to forced execution, as well as analyse the debtor' s accounting records for the purpose of identification of third parties that owe or keep incomes or goods of the debtor;

b) enter all rooms where goods or valuables of the debtor that is an individual are to be found, and investigate all places where such debtor stores goods;

c) request and check any document or material element that can become an evidence for the determination of goods that are under the debtor' s ownership.

(4) The execution officer may enter all rooms that are within the domicile or residence of the individual with his/her consent and in case of refusal, the execution body is to request the authorisation by the competent court in

accordance with provisions of the Civil Procedure Code.

(5) The execution officer access to the debtor' s residence, business premises or any other room, either an individual or a legal person, may take place between 6.00 a.m. and 8.00 p.m. on any working day. The execution procedure started may continue during the same day or during the following days. In cases that are thoroughly grounded by the danger of disposal of certain goods, the access to the debtor' s rooms may also take place at hours different from those mentioned before, as well as during non-working days, based on an authorisation according to par. (4).

(6) In the absence of the debtor or if such debtor refuses the access to any of the premises according to par. (3), the execution officer may enter such premises, in the presence of a representative of the police or the military police body or of any other public order agent and of an adult witnesses, and provisions of par. (4) and (5) are applicable.

Art. 135 Forced execution of an association without legal personality

For purposes of the forced execution of tax receivables that are payable by an association without legal personality, both movable and immovable goods of the association, as well as the personal belongings of the members thereof can be subject to forced execution, even if there is an execution titles issued on the name of such association

Art. 136 Execution title and conditions for the initiation of forced execution

(1) The forced execution of tax receivables is only to be performed based on an execution title issued according to provisions of this code by the competent execution body or of a written document that is an execution title in compliance with law.

(2) The receivable title is to become an execution title as of the date when the tax receivable becomes outstanding by the expiry of the payment deadline as provided by law or as determined by the competent body or in any other way as provided by law.

(3) The forced execution is only to commence after the fiscal body sent the payment notification by which such debtor is informed about the due amountand after a period of 15 days as of the date of communication.

(4) The payment notification is an act prior to the forced execution.

(5) The execution title issued according to par. (1) by the competent execution body is to include, beside elements provided in Art. 42, par. (2), the following: the fiscal identification code; the fiscal domicile and any other identification data; the amount and the nature of the amounts due and unpaid; the legal grounds of the execution power of such title.

(6) For the debtors that are jointly liable to pay tax receivables, a single execution title is to be prepared.

(7) Execution titles issued by other competent bodies as regards tax receivables are to be transmitted no later than 30 days as of the issuance thereof, for forced execution purposes, under the law, to bodies as provided in Art. 132.

(8) In case that the execution titles issued by bodies, other than those in Art. 33, par. (1) do not include one of the following: the debtor' s name and surname or company name, the personal identification number, the single registration code, the domicile or the location, the amount due, legal grounds, the signature of the issuing body and the proof of its communication, the execution body is to immediately return the execution titles to the issuing bodies.

(9) In case the execution title was sent for application by another body, such execution body is to confirm such execution title receipt within 30 days.

(10) In case that public institutions transmit execution titles as regards the own incomes to fiscal bodies for purposes of forced execution, amounts realised this way are revenues to the state budget or the local budget, as the case may be.

(11) In case that authorities of local public administration transmit execution titles as regards the own incomes to fiscal bodies in the subordination of the National Agency for Tax Administration for purposes of forced execution, amounts realised this way are to be revenues to the state budget.

Art. 137 Rules regarding forced execution

(1) Forced execution may concern all incomes and goods under the ownership of the debtor that are traceable according to law, and the sale thereof is to be

performed only to the extent required for the realisation of tax receivables and of execution expenses.

(2) Goods that are subject to a special circulation regime can be traced only by observing the conditions provided by law.

(3) During the forced execution procedure, use may be made successively or simultaneously of forced execution methods as provided by this Code.

(4) The forced execution of tax receivables is not to be subject to limitation.

(5) The forced execution is to be performed until the settlement of the tax receivables mentioned in the execution title, including late payment interest, penalties or other amounts whereby due or granted by law, as well as execution expenses.

(6) In case the execution title specifies, as the case may be, late payment interest, increased amounts or other amounts without having determined the amount thereof, such late payment interest, increased amounts or other amounts are to be computed by the execution body and recorded in a minutes that is to become an execution title, and which is to be further communicated to the debtor.

(7) A real guarantee as well as other real burdens over goods are to have a priority degree regarding third parties, the state inclusively, which are to be determined as of the moment when they were made public by any of the methods provided by law.

Art. 138 Obligation to inform

In order to initiate the forced execution, the competent execution body may use the means of evidence as provided in Art. 48 to assess the debtor' s fortune and income. Upon the fiscal body' s request, the debtor is obliged to provide in writing the information requested, on own responsibility.

Art. 139 Specification of the nature of debit

All forced execution documents must include an indication on the execution title and the nature and the amount of the debt that is subject to execution.

Art. 140 Summons

(1) The forced execution is to commence by the communication of the summons. Unless the debt is paid within 15 days as of the summons communication, forced execution measures are to be carried on. The summons is to be accompanied by a copy of the execution title.

(2) The summons is to include, beside elements under Art. 42, par. (2), the following: the number of the execution file; the amount for which the forced execution procedure is initiated; the deadline within which the person summoned is to pay the amount specified in the execution title, as well as the indication as regards the consequences of the failure to observe such summon.

Art. 141 Third party rights and obligations

The third party cannot oppose to the seizure of a good of the debtor by invoking a pledge, a mortgage right or a priviledge. The third party is to articipate in the distribution of amounts that resulted from the sale of such goods, in compliance with law.

Art. 142 Valuation of goods that are subject to forced execution

(1) Prior to the sale, such goods are to be subject to valuation. For this purpose, the execution body is to resort to specialist persons and bodies that are obliged to comply with their duties in this respect. Provisions of Art. 53 in the present code are to apply correspondingly.

(2) The execution body is to update the valuation price by taking into account the inflation rate.

(3) Whenever considered necessary, the execution body is to proceed to a new valuation and obligations of the third party

Art. 143 Suspension, interruption or cancellation of the forced execution

(1) The forced execution can be suspended, interrupted or cancelled in cases

as provided by this Code.

(2) The forced execution procedure is to be suspended as follows:

a) in case that the suspension was decided by court or by a creditor, by law;

b) upon the date of communication as regards the approval of payment incentives;

c) in the case provided in Art. 151;

d) in other cases as provided by law.

(3) The forced execution is to be interrupted as follows:

a) upon the date when the debtor was declared insolvent;

b) in other cases, as provided by law;

(4) The forced execution is to be cancelled if:

a) the tax obligations provided in the execution title were fully settled, including ancillary payment obligations, as well as execution expenses and any other amounts in the debtor' s charge, in compliance with the law;

b) the execution title was cancelled ;

c) in other cases as provided by law.

(5) If the seizure initiated by the execution body leads to the debtor' s impossibility to continue his/her economic activity with special social impacts, the tax creditor may order, upon the request of the debtor and considering the grounds presented by the debtor, either the temporary total suspension or the temporary partial suspension of the forced execution through freezing bank accounts.

(6) At the same time with the application for suspension under par. (5), the debtor is to indicate all goods that are free of burdens for seizure purposes or other guarantees as provided by law.

SECTION2

Forced execution through seizure

Art. 144 Forced execution of amounts that debtors are entitled to

(1) Any traceable amount of revenues and cash availability denominated in ROL or in foreign currency, securities or other intangible goods that are held and/or due in any form to the debtor by third persons or which such persons are to owe and/or hold in the future, based on existing legal relations are to be subject to the forced execution by seizure.

(2) In case of traceable amounts of revenues and cash availabilities in foreign currency, banks are authorised to perform the conversion of the foreign currency amounts into ROL, without the consent of the titular of the account, at the exchange rate posted by such banks for that day.

(3) Amounts consisting of cash income of the debtor that is an individual, which was derived in capacity of an employee, or pensions of any type, as well as aids or allowances with special destination are to be subject to pursuit only in compliance with the provisions of the Civil Procedure Code.

(4) The seizure of the income of debtors that are individuals or legal persons is to be initiated by the execution body through a paper that is to be sent as a registered letter with confirmation receipt to the third party that is subject to seizure, together with a certified copy of the execution title. The debtor is to also to be informed about the commencement of such seizure.

(5) The seizure is not to be subject to validation.

(6) The seizure that was previously initiated as a precautionary measure is enterinto force through the communication of the certified copy of the execution title to the third party that is subject to seizure and the debtor’ s notification in this respect.

(7) The third party that is subject to seizure is obliged that within 5 days as of the receipt of the communication according to par. (4) and (6) to inform the execution body if it owes any amount of money in any form to the debtor.

(8) The seizure is to be considered commenced upon the date when the third party that is subject to seizure confirms that he/she owes amounts of money to the debtor through the notification that is sent to the execution body or upon the expiry of the deadline provided in par. (7).

(9) After the commencement of the seizure, the third party that is subject to

seizure is obliged to immediately withhold the amounts as required by law and transfer such withheld amounts in the account indicated by the execution body, and at the same time to notify in writing about the existence of other creditors.

(10) Provided that the amounts due to the debtor are seized by several creditors, the third party that is subject to seizure is to notify the creditors in writing about this and is to proceed to the distribution of such amounts in accordance with the sequence of priority provided in Art. 166.

(11) For the settlement of tax receivables, debtors that hold bank accounts may be prosecuted by the confiscation of bank accounts, and applying provisions of par. (4) are to apply adequately. In such case, simultaneously with the notification of the summons and of the execution title made to the debtor according to Art. 43, a certified copy of such title is to be sent to the bank where the debtor' s account is open. The debtor is also to be notified on such measure.

(12) As needed, for the payment of the amount due on the date of the bank notification according to par. (11), the existing amounts and future amounts obtained from daily proceeds in ROL and foreign currency accounts are to be frozen. Beginning that moment, that means from the date and the time of receipt of the seizure notification as regards available funds, banks are no longer to settle payment papers received or debit debtors accounts, and they are to accept no further payments from their accounts until the full payment of tax obligations, except for amounts required for salary rights.

(13) In case that the debtor makes the payment within the deadline provided in the summons, the execution body is to immediately notify the banks in writing as regards the partial or full cancellation of freezing accounts and withholding amounts, otherwise, the bank is obliged to act in compliance with par. (12).

(14) If the execution titles cannot be settled within the same day, the banks are to follow the execution thereof from the daily collections into the debtor' s account.

(15) Provisions in par. (10) are to apply correspondingly.

Art. 145 Forced execution of the third party that is subject to seizure

(1) If the third party that is subject to seizure notifies the execution body that heshe does not owe any amount of money to the debtor under prosecution or

does not observe the provisions of Art. 144, par. (9) through (15) and if he/she invokes other non-conformities in connection to the rights and obligations of the parties regarding the initiation of the seizure, the court within whose territorial jurisdiction the domicile or location of the third party that is subject to seizure is located, upon the request of the execution body or of other party concerned and based on the evidence administered, is to pronounce the maintenance or the cancellation of such seizure.

(2) The trial is to be carried out as a matter of emergency and priority.

(3) Based on the decision to maintain the seizure, which constitutes an execution title, the execution body may commence the forced execution of the third party that issubject to seizure in compliance with this Code.

SECTION3

Forced execution of movable goods

Art. 146 Forced execution of movable goods

(1) Any of the debtor' s movable goods are to be subject to forced execution, unless otherwise provided by law.

(2) In the case of the debtor that is an individual, the following cannot be subject to forced execution as they are necessary to the life and the work of the debtor and his/her family:

a) movable goods of any kind that serve for the continuation of studies and professional training as well as those that are strictly necessary to carry out a profession or other occupation on a continuous basis, including those that are necessary for the performance of agricultural activities such as tools, seeds, fertilisers, forage and production and working animals;

b) goods that are strictly necessary for the personal or household use of the debtor and his/her family, as well as religious cult objects, unless there are several such objects of the same kind;

c) food that is necessary to the debtor and his/her family for 2 months and if the debtor deals exclusively with agriculture, food that is strictly necessary until the new crop;

d) the fuel that is necessary for the debtor and his/her family for heating and for preparing food, calculated for three winter months;

e) objects that are necessary to handicapped persons or intended for the care of ill persons;

f) goods declared non-traceable by other legal provisions.

(3) The goods of the debtor that is an individual required for the performance of trade activities are not to be excepted from forced execution.

(4) Movable goods are to be subject to forced execution by the such movable goods seizure and sale of such movable goods, even if they are held by a third party. The seizure is to be initiated through a minutes.

(5) For movable goods that were previously seized as a precautionary measure, a new seizure is not to be required.

(6) Upon the commencement of the forced execution, the execution officer is obliged to check if the goods provided in par. (5) are to be found at the place of application of the seizure and if such goods were not replaced or degraded and is to seize other goods of the debtor in case that goods found upon the audit are not sufficient for the settlement of such receivable.

(7) Goods are not to be seized if their sale could cover only the forced execution expenses.

(8) Through the seizure initiated over movable goods, the tax creditor acquires a pledge right that allows him/her the same rights in relation with other creditors and the pledge right according to the common law.

(9) As of the preparation of the minutes, the seized goods are to become unavailable. During the forced execution, the debtor can make use of such goods only with the approval of the competent body, according to law. Failure to observe this prohibition is to result in legal liability on the guilty party.

(10) In case no precautionary measures were taken for the entire realisation of tax receivables and upon the initiation of the forced execution, and the obvious danger of disposal, replacement or purloin of the debtor’ s traceable goods is ascertained, the seizure is to be applied together with the communication of the summons.

Art. 147 Minutes of seizure

(1) The minutes of seizure is to include as follow:

a) the name of the execution bodies, the specification of the place, the date and the time of seizure;

b) the name and surname of the execution officer that carries out the seizure, his/her job identity card and delegation registration number;

c) the registration number of the execution file, the registration date and the registration number of the summons, as well as the execution title based on which the forced execution procedure is carried out;

d) the legal grounds based on which the forced execution is performed;

e) amounts due for the forced execution of which the sequester is carried out, including amounts of late payment interest and increased amounts, and the specification of the rate of such late payment interest and increased amounts and the normative act based on which the payment obligation was determined;

f) the name, surname and domicile of the debtor that is an individual or, in his/her absence, of the adult that lives with the debtor, the debtor' s name, surname and location, the name, surname and domicile of other adults that were present on the application of the seizure, as well as other identification elements of such persons;

g) description of the movable goods seized and indication of the estimated value of each good, according to the appraisal of the tax executor, for identification and individualisation of such goods, and the specification of the tear and wear status and possible particular signs of each good and if any measures were taken in respect of keeping them unchanged, such as applying seals, taking under custody or removal from their location or their administration or preservation, as the case may be;

h) the specification that the valuation would be done prior to the initiation of the sale procedure if the execution officer could not appraise the good because of lack of the required specialist knowledge;

i) the specification made by the debtor regarding the existence or the lack of existence of a right to pledge, mortgage or privilege, as the case may be, incorporated in favour of another person for the goods seized;

j) the name, surname and the address of the person to whom the goods were left

and their storage place, as the case may be;

k) possible objections by the persons present at the seizure;

l) the specification that, unless within 15 days as of the conclusion of the minutes of seizure the debtor pays the tax obligations, the sale of the goods seized is to be initiated;

m) the signature of the execution officer that applied the seizure and of all persons that witnessed the sequestration. If any of such persons cannot or will not sign, the execution officer is to mention such circumstance.

(2) A copy of the minutes of seizure is to be handed over to the debtor against signature or is to be sent to his/her domicile/location, and, if necessary, to the custodian who is to sign, with the specification of receipt of the goods under care.

(3) For sale purposes, the execution bodies are obliged to check whether the goods seized are on the place mentioned in the minutes of seizure and if they were replaced or degraded.

(4) When seized goods found upon the audit are not sufficient for the realisation of the tax receivable, the execution body is to make the necessary investigations for the identification and tracing of other goods pertaining to the debtor.

(5) If it is ascertained that the goods are not in the place mentioned in the minutes of seizure or that they were replaced or degraded, the execution officer is to conclude an ascertaining minutes. For goods found upon the investigations carried out according to par. (4), a minutes of seizure is to be concluded.

(6) If goods under pledge are also seized for the guarantee of receivables to other creditors, the execution body is to send a copy of the minutes of seizure to them.

(7) The execution officer that notices that the goods are subject to a previous seizure is to record such observations in the minutes to which a copy of such minutes of seizure is to be attached. The same minutes of seizure is to serve to declare as seized other goods that might be identified, if applicable.

(8) Goods recorded in the prior minutes of seizure are also to be deemed as seized within the new forced execution procedure.

(9) In case the enforcement officer ascertains that in relation to the goods seized deeds, which can be considered criminal law violations were committed, he/she is to record this in the minutes of seizure and immediately notify the competent criminal prosecution bodies.

Art. 148 The custodian

(1) Movable goods seized may be left under the custody of the debtor, of the creditor or of another person appointed by the execution body or by the execution officer, as the case may be, or are to be removed and stored by such execution officer. Whenever goods are left in the custody of the debtor or of another person appointed according to law and whenever the danger of replacement or degradation is ascertained, the execution officer may apply the seal to the goods.

(2) In case the goods seized consist of amounts of money in ROL or foreign currency, bonds, precious metal objects, precious stones, art objects, valuable collections, such goods are to be removed and handed over to specialist units until the following working day.

(3) The recipient of the goods under custody is to sign the minutes of seizure.

(4) In case the custodian is not the same person as the debtor or the creditor, the execution body is to establish remuneration in this respect, according to the activity performed.

SECTION4

Forced execution of real estate

Art. 149Forced execution of real estate

(1) Real estate under the ownership of the debtor are to be subject to the forced execution procedure.

(2) Real estate forced execution is also to fully apply to goods ancillary to the real estate as provided in the Civil Code. Ancillary goods can be traced

only together with the real estate.

(3) In case of the debtor that is an individual, the minimum area inhabited by the debtor and his/her family as determined in compliance with legal norms in force cannot be subject to forced execution.

(4) Provisions of par. (3) are not to apply in cases when the forced execution is performed for the settlement of tax receivables that result from committing criminal law violations.

(5) The execution officer that carries out the seizure is to conclude the minutes of seizure according to Art. 146, par. (9) and (10) and Art. 147, par. (1) and (2).

(6) The seizure applied to the real estate in conformity with par. (5) is to be considered a legal mortgage.

(7) The right to mortgage allows the tax creditor in his/her relation with other creditors the same rights as the mortgage right in respect of the provisions of common law.

(8) For real estate seized, the execution body that initiate the seizure is to immediately request the Land Book Office to perform the mortgage record by enclosing a copy of the minutes of seizure.

(9) Within 10 days, the Land Book Office is to inform the forced execution body, upon their request, of the other real rights and burdens that have an impact on the prosecuted building and their titular, who are to be notified by the execution body and called upon the deadlines determined for the sale of the real estate and the distribution of the price.

(10) The debtor’ s creditors, other than the holders of the rights under par. (9), are obliged to inform the forced execution body in writing about the titles they hold on such real estate within 30 days as of the registration of the minutes of seizure of such real estate in the real estate advertising records.

Art. 150 Initiation of the seizure-administrator

(1) Upon the initiation of the seizure and during the entire forced execution procedure, the execution body may appoint a seizure-administrator if such measure is required for the administration of the prosecuted real estate, of rent and of other income obtained from its administration, including for the

defence against litigation regarding such real estate.

(2) The sequestration-administrator may be the creditor, the debtor or any other individual or legal person.

(3) The sequestration-administrator is to record the income collected according to par. (1) at the competent units and to file the receipt to the execution body.

(4) When a person, other than the creditor or debtor is appointed as a seizure-administrator, the execution body is to determine his/her remuneration, depending on the activity carried out.

Art. 151 Suspension of forced execution of real estate

(1) After the receipt of the minutes of seizure, within 15 days of the notification, the debtor may request the forced execution body to approve that the full payment of tax receivables is made from the income of the traced real estate or from other income for not more than 6 months.

(2) The forced execution procedure initiated for the real estate is to be suspended as of the approval of the debtor' s application.

(3) For well-grounded reasons, the forced execution body may reiterate the real estate seizure before the expiration of the 6-month deadline.

(4) Provisions of Art. 27 are to apply correspondingly to the debtor that is a legal person and received the approval of suspension according to par. (2) and later on avoided the forced execution or self-caused insolvency.

SECTION 5

Forced execution of other goods

Art. 152 Forced execution of fruit that were not picked and of root crops

(1) Forced execution of the fruit that were not picked and of root crops belonging to the debtor is to be performed according to this Code as regards

forced execution of real estate.

(2) Provisions of this Code regarding movable goods are to apply to the forced execution of fruit that were not picked and of root crops.

(3) The forced execution body is to decide, as the case may be, the sale of the fruit that were not picked and of root crops or after cropping.

Art. 153 Forced execution of a group of goods

(1) Movable goods and/or real estate under the debtor' s ownership can be sold as a whole if the forced execution body deems that this way such goods may be sold under more profitable conditions.

(2) For the forced execution of goods in par. (1), the forced execution body is to proceed to the seizure of such goods, according to this Code.

(3) Provisions of Section 3 regarding the forced execution of movable goods and of Section4 regarding the forced execution of real estate and Art. 160 regarding instalment payment are to apply correspondingly.

SECTION 6

Sale of goods

Art. 154 Sale of goods subject to seizure

(1) In case that a tax receivable is not settled within 15 days as of the conclusion of the minutes of seizure, the seized goods are to be sold without further formalities, except cases when, as by law, the cancellation of the seizure, or the suspension or the postponement of forced execution was decided.

(2) For the performance of the forced execution under more profitable conditions taking into account the legitimate and immediate interest of the creditor and the rights and obligations of the prosecuted debtor, the forced execution body is to proceed to the sale of the seized goods in any of the ways as provided by legal provisions in force and which compared to the actual data of the case are proved as the most effective.

(3) For purposes of par. (2), the competent forced execution body is to proceed to the sale of the seized goods as follows:

a) by an agreement between parties;

b) by a consignment sale of movable goods;

c) by a direct sale;

d) by an auction sale;

e) by other means allowed by law, including the sale of goods through auction houses, estate agencies or brokerage companies, as the case may be.

(4) If perishables are seized, they can be sold under an emergency regime.

(5) If due to an appeal or an agreement between parties, the date, the place or the time of the direct sale or auction was changed by the forced execution body, other publications and notices are to be made according to Art. 157.

(6) The sale of seized goods is to be performed only by individuals or legal persons that do not have any outstanding tax liabilities.

(7) For purposes of par. (6), the category of unpaid tax obligations is not to include tax obligations for which cuts, deferrals or rescheduling were allowed by law.

Art. 155 Sale of goods by agreement between parties

(1) The sale of goods by an agreement between parties is to be performed by the debtor himself, with the endorsement of the execution body, so as to ensure an adequate recovery of the tax receivable. The debtor is obliged to submit in writing to the forced execution body the proposals made and the coverage of tax receivables indicating the name and address of the possible buyer and the deadline within which such buyer is to pay the price proposed.

(2) The price proposed by the buyer and accepted by the execution body cannot be less than the valuation price.

(3) Based on the analysis of proposals in par. (1), the forced execution body is to notify the approval by specifying the deadline and the budgetary account

where the price of the good is to be transferred by the buyer.

(4) The jam under Art. 146, par. (9) and (10) is to be removed after the budgetary account mentioned under par. (3) is credited.

Art. 156 Sale of goods by direct sale

(1) The sale of goods by direct sale can be performed in the following cases:

a) for goods stipulated under Art. 154, par. (4);

b) before the beginning of the sale by auction, if the tax receivable is fully recovered;

c) throughout the sale, by an auction or after its completion, if the good was not sold and a person offers at least the valuation price;

(2) The direct sale is to be conducted by concluding a minutes which becomes an ownership act.

(3) If the execution body receives more than one request under the terms in par. (1), the good is be sold to the person that offers the highest price compared to the valuation price.

Art. 157 Sale of goods by auction

(1) For the sale of seized goods by auction, the forced execution body is to advertise the auction at least 10 days prior to the date established for auction.

(2) The advertising of the sale is to be made by posting the ad regarding the sale at the premises of the municipality within whose territorial jurisdiction the seized goods are located, at the debtor' s location and the domicile, at the place of sale, if it differs from the place where the seized goods are located, for the building under sale, for the sale of real estate and through ads in a national daily of large circulation, in a local daily, on a web page or, as the case may be, in the Official Gazette of Romania, Part IV and through any other means as stipulated by law.

(3) The debtor, the custodian, the receiver and holders of real rights and liens on the traced good are to be notified on the date, the time and the

place of the auction.

(4) The ad regarding the sale is also to comprise, beside the elements under Art. 42, par. (2) the following:

a.a. the forced execution file number;

b.b. goods offered for sale and their brief description;

c.c. the valuation price or the auction beginning price for the sale by auction, for each good intended for sale;

d.d. the specification, if necessary, of the real rights and privileges that lien the goods;

e.e. the date, the time and the place of sale;

f.f. the invitation for all persons that claim a right over such goods, to notify the execution body on this prior to the date established for sale;

g.g. the invitation for all persons that are interested in the purchase of such goods to be present on the deadline at the place as determined for this purpose and to submit tender offers on or before such deadline;

h.h. the specification that the bidders are required to submit for the sale by auction, , an auction fee amounting to 10% of the auction beginning price on or before the sale deadline;

i.i. the specification that all persons that are interested in the purchase of the goods must produce evidence issued by the fiscal bodies that they do not have outstanding tax obligations;

j.j. the date of posting the ad for sale.

(5) The auction is to be held at the location where seized goods are kept or at the location decided by the forced execution body, if applicable.

(6) The debtor is obliged to allow the auction on its premises, if adequate to this purpose.

(7) In order to attend the auction, bidders are to submit the following documents at least one day prior to the auction:

a) the purchase offer;

b) the proof of the payment of the auction fee, according to par. (11);

c) the proxy of the person that represents the bidder;

d) for legal persons that are Romanian, a copy of the single registration certificate issued by the Office of the Register of Commerce;

e) for foreign legal persons, the registration certificate translated into Romanian;

f) for Romanianindividuals, the copy of the identity card;

g) for foreignindividuals, a copy of the passport;

h) the proof issued by the fiscal bodies that bidders have no outstanding tax obligations to such bodies.

(8) The beginning price of the auction is the valuation price for the first auction, to be diminished by 25% for the second auction and by 50% for the third auction.

(9) The auction is to begin from the highest price in the written purchase bids, if higher than the price provided in par. (8); otherwise, the auction is to begin from the latter price.

(10) The auction is to be won by the bidder with the highest price, for a price not less than the beginning price. In case of a single bidder, the auction committee can declare him/her as the winning bidder, provided that the price offered is at least equal to the beginning price.

(11) The auction fee is to amount to 10% of the beginning price and is to be paid in ROL to the territorial unit of the State Treasury. Within 5 days as of the date of the preparation of the minutes of auction, the execution body is to order in writing the refund of the auction fee that was paid by bidders that submitted purchase offers and were not declared wining bidders; as concerns the wining bidder, the fee is to account for a portion of the price. The auction fee is not to be refunded to the bidders that failed to be present at the auction, to the bidder that refused to sign the minutes of auction, nor to the wining bidder that failed to pay the price and is to be withheld for the benefit of the execution body, to cover the forced execution costs.

Art. 158 Auction committee

(1) Sale of seized goods by auction is to be organised by a committee led by a chairman.

(2) The auction committee is to be consisted of three persons appointed by the head body of the budgetary creditor.

(3) The auction committee is to verify and analyse the documents of participation and is to post the list of bidders that submitted the complete participation documentation at the auction location, at least one hour before the beginning of such auction.

(4) Bidders are to be identified according to their sequence number on the list of participation and further on, the chairman of the committee is to announce the auction subject as well as the manner that the auction is to be carried out.

(5) Upon the determined deadlines, the execution officer is first to read the sale ad and then the written offers that were received until the date according to Art. 157, par. (7).

(6) In case there were no bidders at the first auction or at least the beginning price was not obtained according to Art. 157, par. (8), the execution body is to determine a new deadline within no later than 30 days for the second auction.

(7) In case the beginning price was not obtained during the second auction either, or there were no bidders, the execution body is to determine another deadline, no later than 30 days, to carry out the third auction.

(8) Upon the third auction, the prosecuting creditors or interveners cannot adjudicate the goods offered for sale at a price less than 50% of the valuation price.

(9) For each auction deadline, the auction is to be advertised according to Art. 157.

(10) The auction of each good is to be followed by the preparation of the minutes regarding the performance and the result of such auction.

(11) The minutes in par. (10) are also to include, beside the elements in Art. 42, par. (2), the following: the buyer’ s name and surname or the company name, as well as his/her fiscal domicile; the registration number of the forced execution file; the specification of the sold goods, the sale price of the good and the related value-added tax, if applicable; all participants in

the auction and the amount offered by each participant, as well as the specification of cases when the sale was not carried out, as the case may be.

Art. 159 Adjudication

(1) After the adjudication of the good, the wining bidder is to pay the price diminished by the amount of the auction fee, in ROL, in cash at a State Treasury unit or by bank transfer, no later than 5 days after the adjudication date.

(2) In case the winning bidder fails to pay such price, the auction sale procedure is to be resumed within 10 days after the adjudication. In such case, the wining bidder is to pay the costs related to the new auction and the price difference, in case the price of the new auction is lower.

(3) The wining bidder is allowed to pay the initially offered price during the following auction; in such case, it is to pay only costs related to the new auction.

(4) In case the good was not sold in the following auction, the former wining bidder is to pay all costs related to the pursuing thereof.

(5) The deadline in par. (1) is also to apply to the sale according to the agreement between parties or by direct sale.

Art. 160 Instalment payment

(1) As regards the sale of real estate by auction, buyers can apply for the instalment payment, in no more than 12 monthly instalments, with an advance payment of at least 50% of the sale price of the real estate and with an interest payable as provided by this Code. The forced execution body is to determine the terms and conditions of such instalment payment.

(2) The buyer cannot dispose of the real estate before the full payment of the price and of the interest determined.

(3) For failure to pay the advance payment amount as provided in par. (1), provisions of Art. 159 are to apply accordingly.

(4) The amount of interest cannot settle tax receivables for which the forced execution was initiated and is to be revenue to the budget corresponding to

the main receivable.

Art. 161 Minutes of adjudication

(1) In the case of sale of real estate, the forced execution body is to prepare the minutes of adjudication, after full payment of the price or the advance payment as provided in Art. 160 par. (1), if the good was sold in instalments. Such minutes are considered ownership acts and the transfer of ownership becomes operational as of its conclusion. For instalment sale, a copy of the minutes of adjudication of the real estate is to be sent to the Land Book Office, so that to record the prohibition from disposal and lien of such good until the full payment of the price and interest established for the real estate transferred, based on which the record in the Land Book is operated.

(2) The minutes of adjudication prepared according to par. (1) is also to include, beside elements under Art. 42, par. (2), the following specifications:

a.a. the number of the forced execution file;

b.b. the number and date of the minutes of auction;

c.c. the name and domicile or, as the case may be, the company name and location of the buyer;

d.d. the fiscal identification code of the debtor and the buyer;

e.e. the final price of the good and the related value added tax, if applicable;

f.f. the manner of payment of the price difference for instalment sale;

g.g. the good identification data;

h.h. the specification that this document is an ownership act and can be recorded in the Land Book;

i.i. the specification that for the creditor the minutes of adjudication is the document based on which the execution title is issued against the buyer that fails to pay the price difference, in case the sale was made in instalments;

j. j. the signature of the buyer or of his/her legal representative, as the case may be.

(3) In case that the buyer whose payment in instalment was approved fails to pay the remaining price under the terms and conditions provided, then he/she can be subject to forced execution in respect of the amount due, based on the execution title that was issued by the competent execution body based on the minutes of adjudication.

(4) In case of the sale of movable goods, within 5 days after the payment of the price, the tax executor is to prepare a minutes of adjudication that is an ownership act.

(5) The minutes of adjudication prepared according to par. (4) is also to include, beside elements under Art. 42, par. 2 and par. (2) of this article, except for letter f), h) and i), the specification that such document is not an ownership act. A copy of the minutes of adjudication is to be sent to the co-ordinating execution body and to the buyer.

Art. 162 Resumption of sale procedure

(1) If the goods subject to forced execution could not be sold as provided in Art. 154, such goods may be returned to the debtor by maintaining the blocking measure until the expiry ofthe statute of limitation. The execution body may resume the sale procedure at any time within this deadline and may appoint, maintain or change the seizure-administrator or the custodian, as the case stays.

(2) If debtors whose goods were supposed to be returned according to par. (1) relocated their stated fiscal domicile and cannot be identified further to the investigations, the fiscal body is to proceed to their notification according to the procedure of communication by advertising in compliance with Art. 43, par. (3), that the good in question is maintained available to the owner until the expiry of the statute of limitation, after which the good is to be sold according to legal provisions regarding the sale of the goods entered in the state private ownership, unless otherwise provided by law.

(3) Actions in par. (2) are to be recorded in minutes prepared by the fiscal body.

(4) In case of real estate, the competent court acting upon ascertaining the state private ownership right over such good is to be notified based on the minutes provided in par. (3), according to law.

Art. 163 Giving into payment

(1) Throughout the entire forced execution procedure over the real estate of the debtor that is a legal person, including the period when the sale procedure can be resumed according to Art. 162, par. (1), tax receivables that are administered by the Ministry of Public Finance and that of the local budgets may be settled on the debtor' s request, with the approval of the tax creditor, by transferring the real estate that is subject to forced execution under the public state ownership or, as the case may be, under the ownership of the administrative-territorial unit of real estate that is subject to forced execution

(2) Provisions of par. (1) also apply in the case that the forced execution is suspended as a result of the approval of a tax payment incentive, according to Art. 121 of this code..

(3) For purposes of par. (1), the body empowered to carry out the forced execution procedure according to law is to send the application together with a copy of the forced execution file and its proposals to the committee appointed by an order of the Minister of Public Finance or, as the case may be, by the administrative-territorial unit that is to decide upon its manner of solution and to order the body empowered to carry out the forced execution procedure to conclude the minutes regarding the transfer of the real estate under the state public ownership and to settle the tax receivables administered by the Ministry of Public Finance or the local ones for which the procedure was initiated.

(4) The Committee provided in par. (3) is to decide the settlement of tax receivables by the transfer under the public ownership of the real estate subject to the forced execution, only under the conditions that a request to take over such goods under administration exists, according to law.

(5) The real estate is to remain unavailable during the period between the submission of the debtor' s application and the date of conclusion of the minutes regarding the transfer under the public ownership of the real estate under the state public ownership.

(6) The minutes of transfer of the real estate under the public ownership is to be an ownership act. The operation of transfer under public ownership as a result of giving into payment is to be exempt from the value-added tax.

(7) Real estate that is transferred under the public ownership according to Art. (1) may be given under administration according to law.

(8) In case that the real estate transferred under the public ownership according to this Code were claimed and returned to third parties, by law, the debtor that is a legal person is to pay the amounts settled in such a manner.

CHAPTER IX

Expenses

Art. 164Forced execution expenses

(1) Expenses related to the forced execution are to be borne by the debtor.

(2) Expenses related to the forced execution are to be determined by the forced execution body through a minutes that is an execution title according to this Code, based on documents related to expenses incurred.

(3) Expenses related to forced execution as regards tax receivables are to be paid by the forced execution bodies from their budgets.

(4) Expenses related to forced execution, which were not based on documents that certify that such expenses were incurred for forced execution purposes, are not to be borne by the debtor.

(5) Amounts recovered in the account of the forced execution expenses are to become revenue to the budget from which they were paid, except amounts of expenses of forced execution of tax receivables that are administered by the Ministry of Public Finance that are revenues to the State budget, unless otherwise provided by law.

CHAPTER XRelease and distribution of amounts realised by forced execution

Art. 165 Amounts realised by forced execution

(1) The amount that was realised further to the forced execution procedure is to include all the amounts collected after the notification of the summons in any of the ways as provided by this Code.

(2) Tax receivables recorded in the execution title are to be settled by amounts realised according to par. (1) according to their length, first the main receivable and then its ancillaries.

(3) Provided that the amount that is both a tax receivable and an execution expense is less than the amount obtained from forced execution, the difference is to be offset according to Art. 111 or is to be refunded upon the debtor' s request, as the case may be.

(4) The debtor is to be immediately notified on the amounts to be refunded.

Art. 166 Distribution sequence

(1) In case the forced execution procedure was initiated by several creditors or when until the realisation and distribution of the amount resulting from execution other creditors also submitted their titles, the body under Art. 132 is to resort to the distribution of such amount according to the priority sequence, unless otherwise provided by law:

a) receivables consisting of expenses of any kind made for the prosecution and preservation of the goods whose price is distributed;

b) receivables consisting of salaries and other assimilated duties, pensions, amounts for unemployment, according to law, aids for the support and the care of children, for maternity care, for temporary work incapacity, for the prevention of illness, for the health recovery or improvement, death benefits granted within the state social security system, as well as receivables for the obligation to repair damages caused by death, damage of body integrity or of health;

c) receivables that result from support obligations, child benefits or payment liabilities of other regular amounts intended to ensure bare living;

d) tax receivables from taxes, fees, contributions and other amounts provided according to law that are due to the State budget, the State Treasury budget, the state social security budget, local budgets and special funds budgets;

e) receivables that result from loans granted by the state;

f) receivables that consist of damages for the repair of damages brought to public ownership through illegal deeds;

g) receivables that result from bank loans, from supply of products, supply of

services or performance of works, as well as from rent;

h) receivables that consist of fines to the State budget or the local budgets;

i) other receivables.

(2) For the payment of receivables that have the same priority, unless otherwise provided by law, the amount from execution is to be distributed among creditors proportionally to their receivable.

Art. 167 Rules regarding release and distribution

(1) Tax creditors that have a privilege by law and that comply with the condition of advertising or owning a movable good are to have priority, in conditions provided in Art. 137 par. (7) in the distribution of the amount resulting from the sale compared to other creditors that hold real guarantees over such good.

(2) Ancillaries of the main receivable as mentioned in the execution title are to observe the priority sequence of the main receivable.

(3) In case of the sale of goods burdened by a pledge right, mortgage or other real rights that the forced execution body became aware of according to Art. 147, par. (6) and Art. 149, par. (9), such body is obliged to notify ex officio the creditors in whose favour such burdens were preserved in order to allow them to participate in the price distribution.

(4) Creditors who did not participate in the forced execution procedure may submit their titles in order to participate to the distribution of amounts obtained from the forced execution only until the date of the preparation by the execution body of the minutes regarding the release or the distribution of such amounts.

(5) The release or the distribution of the amount resulting from the forced execution is to be performed only after the expiry of 15 days after the submission of the amount, when the execution body proceeds, as the case may be, to the release or the distribution of such amount, by notifying the parties and the creditors that submitted their titles.

(6) The release or the distribution of the amount resulted from forced execution is to be immediately recorded by the execution officer in minutes that is to be signed by all entitled parties.

(7) The person that is dissatisfied with the release or the distribution of the amount resulted from forced execution may request the execution officer to record such objections in the minutes.

(8) After the preparation of the minutes in par. (6), no creditor is to be entitled anymore to request to participate in the distribution of amounts resulted from the forced execution.

CHAPTER XIAppeal to forced execution

Art. 168 Appeal to forced execution

(1) Persons interested may appeal against any act of execution that is performed by the violation of provisions of this Code by execution bodies as well as if such bodies refuse to carry out an execution act in according to law.

(2) The appeal may also be directed against the execution title based on which the execution was initiated, in case that such title is not a decision made by a court or other judicial authority and if for such appeal there is no other procedure stipulated by law.

(3) The appeal is to be registered at the competent court and is to be solved under the emergency procedure.

Art. 169 Appeal deadline

(1) The appeal may be submitted within 15 days under the sanction of nullity as of the date when:

a) the applicant was informed of the execution or the execution act he is contesting, from the communication of the summons or from other notifications received or, in the lack thereof, upon the performance of execution proceedings or in any other way;

b) the applicant was informed according to letter a) of the refusal of the execution body to carry out the forced execution procedures;

c) the party interested was informed according to letter a) of the release or the distribution of the amounts he is contesting.

(2) The appeal whereby a third party claims to have an ownership right or other real right over the good traced may be entered no later than 15 days as of the forced execution performance.

(3) Failure to submit the appeal within the deadline provided in par. (2) is not to impede the third party from realising his/her right based on a separate application, according to the common law.

Art. 170 Carrying out appeal

(1) Upon carrying out anappeal, the court is also to summon the execution body within whose territorial jurisdiction the traced goods are located or in case of execution by seizure, the third party seized is located or domiciled.

(2) On request of the interested party, the court may decide upon the execution appeal with regard to the distribution of the goods held by the debtor under joint ownership with other persons.

(3) If the court accepts the execution appeal, as the case stays, it may decide the cancellation of the execution title appealed or its correction, the cancellation or the end of the execution itself, the cancellation or the clarification of the execution title or the performance of the execution act whose performance was refused.

(4) In case of cancellation of the appealed execution act or in case of completion of the execution itself and cancellation of the execution title, the court may decide by the same decision to return to the rightful person the lawful amount from the sale of goods or from withholdings by seizure.

(5) In case of rejection of the appeal, upon the request of the execution body the applicant may be obliged to pay indemnities for damages caused due to the delay in execution, and when the appeal was submitted in bad faith, the applicant is to also be obliged to pay a fine between ROL 500.000 and ROL 1.000.000.

CHAPTER XII Settlement of tax receivables by other means

Art. 171 Insolvency

(1) Tax receivables that are traced by execution bodies may be deducted from records if the debtor concerned is insolvent.

(2) The insolvency procedure applies in the following cases:

a) when the debtor has no revenues or goods that can be traced;

b) when, after the completion of the forced execution against the debtor, unpaid debts remain;

c) the debtor vanished or died without leaving any fortune;

d) the debtor cannot be found at the latest known domicile or premises and no revenues or goods that may be subject to forced execution can be found therein or in other locations where there are indications that the debtor has had any fortune

e) when, by law, the debtor that is a legal person ceases to exist and tax receivables remained unpaid.

(3) For tax receivables of debtors that are declared insolvent, the head of the forced execution body is to decide to write out such receivable from current records and its entry in a separate record.

(4) Whenever debtors are ascertained to have obtained incomes or acquired goods that can be traced, after insolvency was declared, the forced execution officers are to take actions required for re-debiting such amounts and for the forced execution.

Art. 172 Initiation of the judicial reorganisation or the bankruptcy procedure

(1) The execution body is obliged to request competent law courts to begin the procedure of judicial reorganisation or of bankruptcy for tax receivables that are owed by traders, consumption or craftsmen associations/co-operatives or individuals, under the law.

(2) Requests of fiscal bodies regarding the initiation of the bankruptcy or the judicial reorganisation procedures are to be submitted to law courts and are to be exempt from the submission of any bail.

Art. 173 Cancellation of tax receivables

(1) In exceptional cases and for good reasons, the Government or local deliberative bodies, by a decision, may approve the cancellation of certain categories of tax receivables.

(2) If execution expenses, exclusive of mail-related expenses, exceed the tax receivables subject to forced execution, the head of the forced execution body may approve the cancellation of the debts concerned. Expenses for sending summons by mail are to be covered by the fiscal body.

(3) Outstanding tax receivables on the balance on 31st December of the year that are less than ROL 100.000 are to be cancelled. Annually, the thresholds of the tax receivables that can be cancelled are to be established by a Government decision.

(4) In case of tax receivables that are owed to local budgets, the amount provided in par. (3) is the maximum limit up to which deliberative authorities may determine by a decision the threshold of tax receivables that may be cancelled.

TITLE IX Solution of appeals against fiscal administrative acts

CHAPTER I Right to appeal

Art. 174 Possibility to contest

(1) Against the receivable title, as well as against other administrative acts appeal may be made, according to law. The appeal is an administrative manner to contest and does not remove the right to act of the person that deems to have been harmed in his/her rights, under the law.

(2) Only the person that deems to have been harmed in his/her rights by a fiscal administrative act or by its absence has the right to submit an appeal.

(3) The taxation base and the tax, the fee or the contribution as assessed by the tax decision are always to be appealed at the same time.

(4) Also tax decisions by which no taxes, fees, contribution or other amounts owed to the general consolidated budget are assessed may be contested.

(5) In case of decisions regarding the taxation base, decisions regulated by Art. 86, par. (1), the appeal may be submitted by any person that participates in the realisation of income.

(6) Taxation bases ascertained separately in a decision as regards the taxation base may be contested only by the appeal against such decision.

Art. 175 Form and content of appeal

(1) The appeal is to be submitted in writing and is to include as follows:

a)a) the applicant' s identification data;

b)b)the subject of the appeal;

c)c) grounds de facto and de iure;

d)d)grounding evidence;

e)e) the signature of the applicant or his/her representative and the stamp, in case of legal persons. The evidence of the by proxi capacity of an applicant, either a legal person or an individual, is to be produced according to law.

(2) Subject to appeal are to be only amounts and measures that were assessed and specified by the fiscal body in the receivable title or the contested fiscal administrative act, except the appeal against the unjustified refuse to issue the fiscal administrative act.

(3) The appeal is to be submitted to the fiscal body or the customs body whose fiscal administrative act is contested and is not to be subject to stamp fees.

Art. 176 Deadline for submitting an appeal

(1) The appeal is to be submitted within 30 days as of the communication of the fiscal administrative act, under the sanction of nullity.

(2) In case the competence for solution does not stay with the body that issued the appealed fiscal administrative act, the appeal is to be submitted by such body within 5 days after the registration to the competent solution body.

(3) In case the appeal is submitted to a fiscal body that is not competent, such appeal is to be submitted within 5 days of receipt to the fiscal body that issued the appealed fiscal administrative act.

(4) If the fiscal administrative act does not include elements under Art. 42, par. (2), letter i), the appeal may be submitted within 3 months after the notification of the fiscal administrative act to the competent solution body.

Art. 177 Withdrawal of an appeal

(1) The appeal can be withdrawn by the applicant until its solution. The competent fiscal body is to communicate the applicant the decision that confirms the waiver to such appeal.

(2) Withdrawal of appeals does not trigger the loss of the right to submit a new appeal within the deadline generally allowed for appeals.

CHAPTER IICompetence of solving appeals. Solution decision

Art. 178 Competent body

(1) Appeals submitted against tax decisions, fiscal administrative acts assimilated to tax decisions as well as receivable titles regarding customs liability are to be solved as follows:

a) appeals regarding taxes, fees, contributions, customs liabilities and their ancillaries amounting to less than ROL 5 billion are to be solved by the competent bodies that are established at the level of the general directorate where such applicants have their fiscal domicile or by the fiscal body that is established at Art.33 par.(3), as the case may be;

b) appeals that are submitted by large taxpayers whose subject are taxes, fees, contributions, customs duties, as well as ancillaries thereof, whose amount is less than ROL 5 billion, are to be solved by competent bodies that are established within such general directorates for the administration of

large taxpayers;

c) appeals regarding taxes, fees, contributions, customs liability and their ancillary whose amount equals or exceeds ROL 5 billion and those submitted against documents issued by the central bodies are to be solved by the competent solution bodies set up at central level;

(2) Appeals submitted against other fiscal administrative acts are to be solved by issuing fiscal bodies.

(3) Appeals submitted by those that deem to have been harmed by the unjustified refusal are to be solved by the higher hierarchical body to the fiscal body that is competent to issue such act.

(4)Appeals submitted against fiscal administrative acts issued by authorities of local public administration are to be solved by such authorities of local public administration.

(5) Amounts provided in par. (1) are to be updated by a Government Decision.

Art. 179 Solution decision or provision

(1) For the solution of appeals, the competent body is to decide upon by a decision or a provision, as the case may be.

(2) The decision or the provision issued for the solution of appeals is to be final with respect to administrative appeal methods.

Art. 180 Form and content of the decision to solve an appeal

(1) The decision to solve appeals is to be issued in writing and is to comprise as follows: the preamble, the reasons/grounds and the framework.

(2) The preamble is to include: the name of the body that is in charge with the solution, the name and the surname of the applicant, his/her fiscal domicile, the registration number of the appeal at the competent solution authority, the subject of such cause and the summary of the parties arguments when the competent solution body is not the issuing body of the appealed document.

(3) The reasons are to include the grounds de iure and de facto that led to

the conviction of the solution body that is competent for the issuance of the decision.

(4) The framework is to include the solution decided, the appeal solution method, the term within which it can be exerted by the competent court.

(5) The decision is to be signed by the head of the General Directorate, the general manager of the competent body established at central level, the head of the issuing fiscal body of the appealed administrative act or his/her substitutes, as the case may be.

CHAPTER III

Procedural provisions

Art. 181 Involvement of other persons in the solution procedure

(1) The competent solution body may involve ex officio or upon request, for the solution of appeals, as the case may be, other persons whose legal tax interest is harmed further to the issuance of the decision to solve the appeal. Prior to involving other persons, the applicant is to be called for a hearing according to Art.9.

(2) The persons that participate in the realisation of income, according to Art. 174, par. (5) and did not submit an appeal are to be involved ex officio.

(3) The person involved in the appeal procedure is to be informed of all requests and declarations of the other parties. This person is to have the rights and duties of the parties as a result of the fiscal legal relation that is subject to the appeal and is entitled to submit his/her own applications.

(4) Provisions of the Civil Procedure Code regarding the forced and voluntary intervention are to be applicable.

Art. 182 Solution of appeal

(1) In the solution of appeal, the competent body is to check the grounds de facto and de iure underlying the issuance of the fiscal administrative act.

The appeal is to be analysed as compared to the parties' arguments, the legal provisions invoked and documents existing in the file of such cause. The appeal is to be solved within the limits of the notification.

(2) The solution body that is competent for the clarification of the cause may request the point of view of the specialist departments within the ministry or within other institutions and bodies.

(3) The solution of appeal is not to lead to a more difficult case for the applicant by his/her own appeal manner.

(4) The applicant, the interveners or their empowered persons may submit new evidence for the support of the cause. In such case, the fiscal body that issued the appealed fiscal administrative act or the body that carried out the audit activity, as the case may be, is to be given the possibility to pronounce upon such aspects.

(5) The competent solution body is to decide first on the exceptions of procedure and then on the content thereof, and when they are ascertained grounded, the thorough analysis of the cause is no longer to be carried out.

Art. 183 Suspension of procedure of solution of appeal by administrative means

(1) The competent solution body may suspend through a well-grounded decision the solution of the cause whenever:

a) the body that carried out the audit activity notified the competent body regarding the existence of indications on committing a criminal law violation whose determination may have a decisive impact on the solution which is about to be passed under an administration procedure;

b) the solution of the cause depends in whole or in part on the existence or the non existence of a right that is subject to another ruling.

(2) The competent solution body may suspend the procedure upon request if there are grounded reasons. Upon the approval of suspension, the competent solution body is to determine the deadline until when the procedure is suspended as well. The suspension may only be requested once.

(3) The administration procedure is to be resumed on the termination of the reason that triggered the suspension or, as the case may be, upon the expiry of the deadline determined by the competent solution body according to par. (2), irrespective if the reason that led to the suspension ceased or not.

Art. 184 Suspension of execution of a fiscal administrative act

(1) Submitting the appeal by following the administrative appeal way is not to suspend the execution of the fiscal administrative act.

(2) The appeal solution body may suspend the execution of the contested fiscal administrative act until solving such appeal, upon the applicant' s well-grounded request.

(3) If the execution of a decision regarding the taxation base is suspended, then the execution of subsequent tax decisions is also to be suspended.

(4) The solution authority may decide the initiation of precautionary measures by the competent fiscal body under the conditions of this Code.

CHAPTER IV Solutions regarding appeal

Art. 185 Solutions regarding appeal

(1) By decision, the appeal may be admitted as a whole or in part or rejected.

(2) In case the appeal is approved, a decision is to be made on the total or the partial cancellation of the appealed document.

(3) By decision, the appealed fiscal administrative act can be totally or partially terminated, and in this case a new fiscal administrative act is to be concluded by considering the reasons of the solution decision.

(4) By decision, a solution to a cause may be suspended in compliance with provisions of Art. 183.

Art. 186 Rejection of appeal for failure to comply with procedural conditions

(1) In case the competent solution body notices a failure to comply with a procedural condition, the appeal is to be rejected without resorting to the

analysis the content of such cause.

(2) The appeal cannot be rejected if it bears an inaccurate name.

Art. 187 Communication of decision and appeal method

(1) The decision regarding the solution of appeal is to be communicated to the applicant, the persons involved in compliance with Art. 43, and to the fiscal body that issued the appealed fiscal administrative act. (2) The decisions passed for the solution of appeals may be appealed at the competent litigation court.

TITLE X Sanctions

Art. 188 Criminal law violations

(1) The theft, the substitution, the degradation or the disposal by the debtor or by third parties of seized goods in conformity with provisions of this code is to be punished by prison from 6 months to one year or by fine between ROL 50.000.000 and ROL 100.000.000.

(2) Withholding and failure to remit by payers of fiscal obligations of amounts of withholding taxes or contributions more than 30 days after the deadline are criminal law violations to be punished by prison from 6 months to 2 years or by fine between ROL100.000.000 and ROL 500.000.000.

Art. 189 Civil law violations

a) the failure to submit statements regarding the fiscal registration or specifications within the legal deadlines;

b) the failure to submit tax returns within the legal deadlines, in compliance with provisions of Art. 78;

c) the failure to observe obligations in compliance with provisions of Art. 54 and Art. 55 par. (2);

d) the failure to observe the obligation in compliance with provisions of Art.

102, par. (8);

e) the failure to enforce measures in compliance with provisions of Art. 102, par. (9);

f) the failure to observe the obligation as regards the specification of the fiscal identification code on documents, in compliance with provisions of Art. 70, par. (1);

g) the failure to observe liabilities regarding the completion and retaining fiscal files by payers of salaries and income assimilated to salaries;

h) the failure to observe obligations as regards the transmission to the competent fiscal body or, as the case may be, to third parties of forms and documents as provided by fiscal law, other than tax declarations and statements regarding fiscal registration or specifications;

i) the banks failure to observe liabilities regarding the provision of information and refunding obligations in compliance with provisions of this Code;

j) the failure to observe obligations of the third party that is subject to seizure, in compliance with provisions of the Fiscal Procedure Code;

k) the failure to observe the notification obligation in compliance with provisions of Art. 149 par. (9)

l) the refuse of the debtor that is subject to forced execution to hand over the goods to the execution body for seizure purposes or to make such goods available for identification and valuation purposes.

(2) The civil law violation mentioned in par. (1) is to be sanctioned as follows:

a) by a fine between ROL 15.000.000 and ROL 30.000.000, forindividuals, and fine between ROL 50.000.000 and ROL 100.000.000, for legal persons, in case of committing the deeds as provided in par. (1) letter c);

b) by a fine between ROL 500.000 and ROL 5.000.000, for individuals, and fine between ROL 5.000.000 and ROL 25.000.000, for legal persons, in case of committing the deeds as provided in par. (1) letter d);

c) by a fine between ROL 5.000.000 and ROL 15.000.000, for individuals, and fine between ROL 25.000.000 and ROL 50.000.000, for legal persons, in case of committing the deeds as provided in par.(1) letter e);

d) by a fine between ROL 500.000 and ROL 15.000.000, for individuals, and fine between ROL 5.000.000 and ROL 100.000.000, for legal persons, in case of committing the deeds as provided in par. (1) letters a), b), f) - l).

(3) In case of individuals, the failure to submit the income tax declarations within the deadlines provided by law is to be treated as a civil law violation and is to be sanctioned with a fine between ROL 100.000 and ROL 1.000.000.

(4) The failure to submit tax declarations for the obligations due to local budgets is to be sanctioned according to Law no. 571/2003 regarding the Fiscal Code.

(5) Amounts collected under the conditions of this title are to be revenues to the state budget or local budgets, as the case may be.

Art. 190 Civil law violations and sanctions for the regime of excisable products

(1)The following facts are to be considered civil law violations:

a) producing excisable products under the scope of the fiscal warehouse regime, outside a fiscal warehouse authorised by the competent fiscal body;

b) holding excisable products outside the suspensive regime, without having them entered under the excising system according to Title VII in the Fiscal Code;

c) failure to advise the competent fiscal body within the legal deadline about modifications of initial data taken into account upon the issuance of the authorisation;

d) holding excisable products that are subject to marking outside the fiscal warehouse or the sale of such products on the territory of Romania without being marked or being marked inadequately or by false marks;

e) failure to observe the work schedule of the fiscal warehouse, as approved by the competent fiscal body;

f) practising, by producers or importers, sale prices that are less than costs incurred by the production or the import of excisable products sold, to which the excise tax and the value-added tax are to be added;

g) failure to mention of a distinct manner the amount of the excise tax or the tax on oil and natural gas from domestic production in invoices, in cases provided by Title VII in the Fiscal Code;

h) failure to use fiscal documents as provided by Title VII of the Fiscal Code;

i) failure to perform, through banking units, settlements between suppliers and purchasers of excisable products that are legal persons;

j) the location of means of measurement of the production and of the alcohol concentration and distillatesin other places than those specifically mentioned in Title VIII in the Fiscal Code or the damage of seals applied by the fiscal surveyor and the failure to notify the fiscal body in the case of damaging thereof;

k) failure to apply for the appointment of the fiscal surveyor in order to unseal the tank or containers in which the alcohol and distillatesare transported in bulk;

l) transport of ethyl alcohol and distillatesin tanks or containers that do not bear the fiscal surveyor' s seals, have deteriorated seals or are not accompanied by the accompanying document as provided in Title VII in the Fiscal Code;

m) production of sanitary alcohol by persons, other than authorised warehouse keepers for the production of ethyl alcohol;

n) sale in bulk, on the domestic market, of the sanitary alcohol;

o) circulation and sale in bulk of the refined ethyl alcohol and distillatesfor other purposes than those specifically provided in Title VIII in the Fiscal Code;

p) failure to accurately record in the special register of quantities of alcohol and distillatesimported in bulk;

q) failure to accurately record at the territorial fiscal bodies of statements regarding the manner of sale of the alcohol and distillates ;

r) failure to apply at the territorial fiscal body in order to unseal production outfits, as well as failure to record in the special register intended for this purpose of information regarding real capacities of distillation, the date and the time of sealing and unsealing stills or other

outfitsfor the production of plum brandy and fruit brandies;

s) practising retail sale prices that are less than minimal prices as determined for each product, according to Title VIII in the Fiscal Code, to which the value-added tax is to be added;

) sale for prices higher than the stated maximum retail sale prices of products for which such prices were determined;

t) sale of products that are not mentioned in the lists of maximum retail sale prices stated by legal persons that are producers and importers;

) the refuse of legal persons that are producers of cigarettes to take over and destroy, under the law conditions, seized quantities of tobacco;

u) the use of mobile pipes, flexible hoses or other similar pipes, the use of containers that are not calibrated, as well as the placement of taps or valves through which quantities of alcohol or distillates may be extracted without being metered;

v) sale in bulk and use of the raw materials, for the production of alcohol beverages, ethyl alcohol and distillateswith alcohol concentration less than 96% in volume;

x) sale through pumps of distribution stations of mineral oils, other than those in the category of liquid petroleum gas, petrol and gas oil, that conform to the national standards of quality;

y) operation of outfits for the production of ethyl alcohol or distillates, outside the work schedule of the fiscal warehouse, as approved by the competent work schedule as approved by the Committee of authorisation of fiscal warehouses within the Ministry of Public Finance.

z) production or sale of excisable products in a fiscal warehouse during the period that the authorisation was revoked or cancelled, while the authorisation committee did not issue a special authorisation for the sale of stocks of products.

(2) Civil law violations as provided in par. (1) are to be sanctioned by fine between ROL 200.000.000 and ROL 1.000.000.000 lei, as well as by the following:

a) seizure of product, and in case that such products were sold, confiscation of amounts resulted from such sale, in cases provided in lett. a), b), d), l), m), n), o), x),y) and z);

b) seizure of tanks, containers and transport means that are used for the transport of ethyl alcohol and distillates, in the case provided in lett. 1);

c) revocationof authorisation of fiscal warehouse or, as the case may be, the stop of activity for a period between 1 and 3 months, for cases provided in lett. d), e), j), m), n), o), u), x) ,y) and z). The application for a new authorisation may only be submitted after a period of at least 6 months after the date of revocation.

Art. 191 Ascertainment of civil law violations and application of sanctions

(1) The ascertainment of civil law violations and application of sanctions are to be made by the competent fiscal body.

(2) Ascertaining and sanctioning facts that constitute civil law violations according to Art. 190 are to be performed by the specialist personnel within the Ministry of Public Finance and its territorial units.

(3) Civil law violations as provided in Art. 189 par. (1) lett. b) apply for facts ascertained after the date of entry into force of this code.

(4) In the case of the application of fine provided according to Art. 189 and Art. 190, the taxpayer has the possibility to pay a half of the minimum fine as provided by this code within 48 hours and the ascertaining agent is to mention such possibility in the minutes of ascertainment and sanction of such civil law violation

Art. 192 Update of fines amounts

The limits of the fines for civil law violations as provided in this Code may be updated annually, depending on the inflation rate, by a Government Decision, upon the proposals of the Ministry of Public Finance.

Art. 193 Applicable provisions

Provisions of this Title are to be completed by legal provisions regarding the legal regime of civil law violations.

TITLE XI Final and transitional provisions

Art.194 Provisions regarding the customs regime

Failure to pay within the deadline taxes, fees or other amounts payable, under the law, in customs is to trigger the prohibition to carry out other customs operations until the integral settlement thereof.

Art. 195 Provisions regarding civil servants within the fiscal bodies

(1) During carrying out their job duties, civil servants within the fiscal bodies are vested with the power of public authority and are to benefit of protection according to law.

(2) The state and the administrative-territorial units are liable from a patrimonial point of view for prejudices caused to the taxpayer by civil servants within the fiscal bodies while carrying out their job duties.

(3) The liability of the state and the administrative-territorial units does no relieve the civil servants within the fiscal bodies from their liability in case of carrying out their job duties in bad faith or in severe negligence.

(4) The Ministry of Public Finance may set up funds for granting incentives for the personnel from the own system and subordinate units, as the case may be, by withholding a 5 % rate of amounts collected through forced execution according to this Code, of amounts collected within the judicial reorganisation and the bankruptcy procedure, as well as from sources as regulated by other normative acts.

(5) The system of granting incentives to the personnel from the own system and units subordinated to the Ministry of Public Finance that carry out activities under par. (4) is to be set similarly to the salary system of the budgetary personnel and is to be approved by an order of the Minister of Public Finance.

(6) Administrative-territorial units, in their capacity of local fiscal creditors, may set up funds on monthly basis for granting incentives to the personnel in specialist departments that have duties in the administration of local tax receivables, by the application of a 5% rate to amounts collected as

follows:

a) by forced execution, by law;

b) within the procedure of judicial reorganisation and bankruptcy;

c) from local taxes and fees determined as a result of the ascertainment of taxable or feeable goods or services, assessed in addition to those assessed by the taxpayer, as resulted from fiscal audits carried out and from late payment interest and increased amounts related thereof.

(7) Approval of incentives as provided in par. (6) is to be made by the credit holder, upon the proposal by the head of the specialist department.

(8) The payment of approved incentives is to be made during the current month for the prior month.

(9) Amounts constituted according to par. (6), which remain not spent by the end of the current year, are to be carried over and are to have the same destination during the following year.

Art. 196 Normative acts for application

(1) For the application of this code, the Government is to adopt methodological norms for application, within 30 days as of the date of the publication of the law for the approval of this code in the Official Gazette of Romania.

(2) Forms required and such forms instructions for using thereof for the administration of tax receivables are to be approved by an Order of the Minister of Public Finance.

(3) Forms necessary and instructions for using thereof for the administration of local taxes and fees are to be approved by a joint order of the Minister of Administration and Home Affairs and the Minister of Public Finance.

(4) Forms necessary and instructions for using thereof as regards the realisation of receivables of the general consolidated budget that are administered by other bodies are to be approved by an order of such body competent minister or the head of such public institution, as the case may be.

Art. 197 Fiscal bodies exemption from payment of fees

Fiscal bodies are to be exempt from fees, tariffs, commissions or bails for applications, actions or any other actions they must take for the administration of tax receivables, except for those regarding the communication of the fiscal administrative act.

Art. 198 Registration of receivables in Electronic Archive of Securities Guarantees

For fiscal budgetary receivables that are administered by the Ministry of Public Finance, such ministry is authorised as an operator that through its territorial units that act as empowered agents records the obligations included in the execution titles in the Electronic Archive of Securities Guarantees.

Art. 199 Provisions regarding deadlines

(1) Applications submitted by the taxpayer according to this Code are to be solved by the fiscal body within 45 days as of registration thereof, unless otherwise provided by law.

(2) Provided that for the solution of the application, relevant additional information is required for making a decision, the deadline is to be extended by the period between the request date and the receipt date of the information required.

(3) Current deadlines upon the date of entry into force of this Code are to be computed according to legal norms that are effective upon such deadlines initiation date.

Art. 200 Seizures

(1) Seizures according to law are to be carried out by bodies that ordered such seizure. Seizures ordered by prosecutors of by law courts are to be carried out by the Ministry of Public Finance, the Ministry of Administration and Home Affairs, or, as the case may be, by other public authorities empowered by law, by their competent bodies, as established by a joint order

of heads of the institutions in question, and the sale is to be made by competent bodies of the Ministry of Public Finance, according to law.

(2) Amounts seized and those derived from the sale of seized goods, except for expenses incurred by the performance and the sale thereof are to become revenue to the State budget or the local budget, as the case may be, according to law.

Art. 201 Transitional provisions regarding fiscal registration

(1) Persons under Art. 68, par. (4) that are already registered, are required to submit the fiscal registration statement within 30 days as of the entry into force of this Code.

(2) Fiscal identification codes and fiscal registration certificates assigned prior to the entry into force of this Code are to remain valid.

(3) Persons registered in the Register of taxpayers upon the entry into force of this Code whose fiscal domicile differ from their registered location, in case of legal persons, or domicile in case of individuals, as the case may be, are obliged to submit the fiscal registration declaration within 90 days as of the date of entry into force of this Code. Otherwise, the last domiciled or location as declared is to be considered as the valid fiscal domicile.

Art. 202 Transitional provisions as regards solution of applications for value-added tax

Applications for the value added tax refund, which were submitted according to the value-added tax law but were not solved until the entry into force of this Code, are to be solved in compliance with regulations based on which they were submitted.

Art. 203 Transitional provisions regarding tax audit

Tax audits commenced before the entry into force of this Code are to continue according to existing procedures upon the date of initiation thereof. Under these circumstances, the measures taken through audit minutes are to worth as a fiscal administrative act.

Art. 204 Transitional provisions regarding solution of appeals

(1) Appeals submitted prior to the date of entry into force of this Code are to be solved according to the existing administrative-jurisdictional procedure upon the submission of such appeal.

(2) In case of appeals under solving that are submitted against audit acts by which the same period and the same type of tax obligation was verified before and for which from the instrumentation of the criminal cases by competent bodies no prejudice results, previously determined obligations are to be maintained.

Art. 205 Transitional provisions regarding forced execution

The forced executions that were already commenced upon the entry into force of this Code are to continue according to its provisions and acts previously performed are to remain valid.

Art. 206 Entry into force

This Code is to enter into force as of 1st January 2004. Provisions of Title X Sanctions are to enter into force as of 10th January 2004.

Art. 207 Temporary conflict of normative acts

Regulations passed according to emergency ordinances and ordinances according to Art. 208 are to remain applicable until the approval of normative acts regarding the implementation of this Code as provided in Art. 196, to the extent that such regulations do not contradict such Code provisions.

Art. 208 Repeals

Upon the entry into force of this Code, the following normative acts are to be repealed:

a) Government Ordinance no. 82/1998 regarding the fiscal registration of taxpayers, republished in the Official Gazette of Romania, Part I, no. 712 of 1 October 2002, as amended;

b) Government Ordinance no. 68/1997 regarding the procedure to prepare and submit tax returns, republished in the Official Gazette of Romania, Part I, no. 121 of 24 March 1999, as amended;

c) Government Ordinance no. 61/2002 as regards the collection of budgetary receivables, republished in the Official Gazette of Romania, Part I, no. 582 on 14th August 2003, with further modifications and completions;

d) Government Ordinance no. 70/1997 regarding the tax audit, published in the Official Gazette of Romania, Part I, no. 227 of 30th August 1997, approved with amendments and completions by Law no 64/1999, as amended;

e) Government Ordinance no. 13/2001 regarding the solution of appeals submitted against measures taken by the audit or tax assessment documents prepared by bodies of the Ministry of Public Finance, published in the Official Gazette of Romania, Part I, no. 62 of 6th February 2001, approved with amendments and completions by Law no 506/2001, as amended;

f) Government Ordinance no. 39/2003 regarding the procedures of administration of receivables to local budgets, published in the Official Gazette of Romania, Part I, no. 66 of 2nd February 2003, approved with amendments and completions by Law no 358/2003;

g) point 5 in CHAPTER I, annex I in Law no. 117/1999 as regards extra-judicial stamp fees, with further modifications and completions, published in the Official Gazette of Romania, Part I, no. 321 on6th July 1999;

h) Art. 3 in Law no. 87/1994 as regards the fight against the tax evasion, republished in the published in the Official Gazette of Romania, Part I, no. 545 on 29th July 2003;

i) Art. IV par. (1) through (5) in Government Ordinance no. 29/2004 for the regulation of certain financial measures, published in the Official Gazette of Romania, Part I, no. 90 on 31st January 2004;

j) Art. 246 in Law no. 571/2003 regarding the Fiscal Code published in the Official Gazette of Romania, Part I, no. 927 on 23rd December 2003;

k) Art. 61 par. (3) in Law no. 141/1997 regarding the Customs Code of Romania, with further modifications and completions, published in the Official Gazette of Romania, Part I, no. 180 on 1st August 1997.