



Tax Advisory Services

Customs Duties and International Trade
Excise Duties
Contributions to the Environment Fund

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– one with the industry depth, knowledge,
and insight to help clients address their
most pressing issues.

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KPMG in Romania's number one priority is to deliver a portfolio of services adapted to the changing needs of companies in the context of a global market.

Introduction

Organizations of all sizes are increasingly exposed to new trends in tax regulation, not just locally but globally. By thinking beyond the present and beyond borders to deliver long-lasting value, and using our understanding of tax governance, specialist skills and deep industry knowledge, we help you to stay competitive and compliant.

KPMG in Romania and Moldova offers a range of Tax services which are designed to provide clients with exceptional tax planning. With today's highly competitive economic environment presenting many challenges, your business deserves high quality tax advice. KPMG is committed to delivering this.

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Customs Duties and International Trade

Our team of professionals is ready to assist you with a variety of issues related to customs and international trade. Besides in-depth knowledge of local legislation, KPMG in Romania can also easily access international customs and trade professionals from over 155 countries.

The KPMG global network of specialists in indirect taxes, customs and international trade provides consultancy and efficient outsourcing

solutions (full or partial) for specific services in these areas.

Our specialists work on designing the most effective strategies in order to ensure that legal requirements and regulations on customs compliance are met. We strive to enhance our clients' business model in terms of customs operations and international trade.

For instance, KPMG can assist you in obtaining an Authorized Economic

Operator ("AEO") certification, awarded by the customs authorities, which grants you a privileged partner status and comes with a set of other benefits. For example, AEO certification provides an advantage in terms of cash flow, as AEO authorized companies can obtain a VAT deferment certificate, meaning that these companies will not pay VAT to customs but instead may use the reverse charge mechanism (via the VAT return). The two types of AEO authorizations (AEOC - customs simplifications and AEOS – safety and security) also give operators other advantages, such as: access to authorizations and customs simplifications, fewer physical and document-based checks, priority auditing, reduced customs guarantee, etc.

Our assistance during the AEO certification process, starts from a preliminary assessment of the company's readiness in terms of compulsory and eliminatory criteria that must be met, to a simulation of a customs authority audit which is required as part of the authorization process.





How can the KPMG team assist you?

The customs and international trade services that KPMG Tax provides include:

- Effective structuring of the company's cross-border operations with the aim of keeping the costs of customs operations as low as possible (e.g. by importing/exporting through other Member States).
- Assistance with compliance with customs regulations and regulations related to international trade.
- Decreasing specific risk factors related to cross-border operations.
- Assistance in obtaining various types of customs authorizations, such as customs warehousing, end-use and inward or outward processing.
- Consultancy on the development and implementation of strategies for managing indirect taxes in an efficient manner, including implementation of effective internal and control procedures.
- Assistance with tax planning both by increasing the use of special customs procedures and by applying simplified customs procedures.
- Guidance on determining tariff classification of goods.
- Training and induction courses addressed both to customs and logistics related personnel as well as to management of other departments, which may be interested in the implications of customs-related operations (e.g. financial, accounting or environmental departments).
- Reviewing the company's activity in terms of customs operations and related customs duties and with respect to the application of other taxes or measures relating to imports and exports (e.g. anti-dumping duties, countervailing duties, excise duties or VAT, import licenses, etc.).
- Overseeing the operations of customs brokers.
- Implementation of structures such as "call-off-stock" or "consignment".
- Assistance during the subsequent customs audits or in relation to disputes with the authorities, for example the drafting and submission of appeals, preparing court proceedings, etc.

Excise Duties

Considering the changes that are constantly occurring in the relevant national and European legislation, KPMG Tax offers a wide range of services to companies whose business activities include operations involving excisable goods.

Our assistance services include providing detailed information on the impact of legislative changes, or on the manner in which new legal requirements can be met accurately and efficiently.

For instance, given the increased vigilance of the customs authorities in the application of the conditions for authorizing tax warehouses, companies should be aware of and take into account specific regulatory changes with regard to the authorization and the management of a tax warehouse in Romania, for which our specialists can provide you with support.

Our experts can also offer assistance in relation to reimbursement of

excise duty on products delivered intra-Community or exported, for which the excise duty has been paid, as well as advise on the application of exceptions or exemptions from excise duty.



How can the KPMG team assist you?

KPMG in Romania's excise services include:

- Tax advisory work on specific problems which occur in companies carrying out operations involving excisable products.
- Assistance with the reimbursement of excise duty for intra-Community goods supplied or exported, for which the excise duty has been paid.
- Consultancy on the correct application of exceptions or exemptions from excise duty.
- Assistance in obtaining various types of licenses, such as those for tax warehouses, registered consignees, registered consignors, authorized importers or end users.
- Advice on the application of regulations on the management of a tax warehouse in Romania.
- Advice on setting the amount of excise duty due or excise treatment for lost/damaged excisable goods.
- Assistance on compliance with regulatory reporting obligations, excise declaration and payment.
- Training and induction courses on excise duty.
- Reviewing your company's operations for the purposes of excise duty.
- Assistance during inspections and disputes with the authorities, for example the drafting and submission of appeals, preparing court proceedings, etc.

Contributions to the Environment Fund

Contributions to the Environment Fund are increasingly coming under the scrutiny of the authorities. We are experiencing a rise in the number of audits carried out by the authorities in relation to Environment Fund obligations, while the relevant legislation is becoming more complex.

By knowing the legislative changes and by understanding how they affect your business activity, KPMG can help you reduce costs and manage risks, ensuring at the same time that environmental contributions are managed properly and in accordance with the law.

For example, companies that introduce packaging on to the national market (either by producing and selling locally, or by importing from third countries, or acquiring from other EU member

states) should keep records, report and manage packaging by type of material and, as appropriate, by the reusable characteristics of packages, and pay a contribution for the difference between the annual targets for recycling / recovery and actual quantities of packaging waste recycled or recovered.

Depending on how they choose to meet the annual targets for recycling/recovery of packaging waste, companies should have a contract either with an Operator for Transfer of Responsibility (OTR) or an authorized recycling/recovering operator. Given the backlog on the OTR market in Romania, KPMG can provide assistance in identifying alternative solutions, possibly transforming the fulfillment of obligations required by environmental legislation into economic benefits for the company.

How can the KPMG team assist you?

The services that KPMG in Romania provides to its partners, through its specialists, in the field of contributions to the Environment Fund, include:

- Assistance with the fulfillment, calculation and declaration of contributions to the Environment Fund.
- Assistance with filing monthly returns with the Environment Fund Administration (EFA).
- Identifying requirements for compliance with legislation on contributions to the Environmental Fund and assistance with difficulties in meeting these.
- Tax advice concerning the calculation and reporting to the EFA of the quantities of packaging placed on the local market.
- Advice on how to fulfill annual targets for recycling/recovery of packaging waste.
- Reviewing contracts concluded with OTRs or with recycling/recovery operators.
- Assistance in fulfillment of legal obligations associated with electrical and electronic equipment, batteries and accumulators placed on the national market.
- Advice on other taxes and contributions to the Environment Fund - for example, the fee for hazardous substances or oils, placed on the national market.
- Assistance during audits carried out by EFA inspectors.
- Assistance in preparing the necessary technical argumentation for challenging tax decisions issued by the authorities.
- Training courses on the regulations for Environment Fund contributions.
- Tax reviews on the declaration and payment of contributions to the Environment Fund.

Contacts



Ramona Jurubiță
Partner, Head of
Tax & Legal Services
T: + 40 (372) 377 795
rjurubita@kpmg.com



Valentin Durigu
Associate Director
Indirect Taxation Services
T: + 40 (372) 377 800
vdurigu@kpmg.com



Raluca-Loredana Udrioiu
Manager
Indirect Taxation Services
T: + 40 (372) 377 800
rnica@kpmg.com



Oana-Mihaela Motoi
Manager
Taxation Services
T: +373 22 201 885
omotoi@kpmg.com

kpmg.com/socialmedia



kpmg.com/app

