

New measures adopted in the area of economic and social protection during the state of emergency in Romania caused by COVID-19 epidemic

Among the latest measures published in the Romanian Official Gazette available for companies, it is worthwhile mentioning that:

- **Official bonuses for the timely payment of corporate and micro taxes for the first quarter have been established.** Large taxpayers will benefit from a 5% bonus if profit tax is paid for the first quarter of the year, while small, medium and micro taxpayers will benefit from a 10% discount.
- **The conditions under which the state grants the payment of technical unemployment have been simplified.** Any employer directly or indirectly affected by coronavirus can apply for technical unemployment benefits, but only for the state of emergency period. Employers, both interrupting and reducing their activities, are targeted. The state will pay the technical unemployment of 75% of the basic salary, but not more than 75% of the average gross salary for 2020 for all suspended employees. The employers will be expected to submit by email an application, a sworn statement and a list of employees in technical unemployment to the relevant local employment agency. The form of these three documents is established through an order issued by the Ministry of Labour and Social Security. The state grants the employer the gross amounts from which the employer pays the employees the net allowance. The employer is required to calculate, withhold and pay the related income tax, social security contribution and health insurance contribution from the gross allowance.
- **The companies will be able to postpone the payment of their loan rates if their income has been affected by the Covid-19 epidemic.** Basically, this will be one of the requirements to be met in order for the companies to request the deferral of loans and leasing rates for periods ranging from one to nine months (but not later than the end of the year 2020). Other conditions will be that they not be insolvent and have no arrears on loans and leasing. The postponement of the loan rates will be available for those companies directly or indirectly affected by the COVID-19 pandemic. Deferral requests may be made until May 14, 2020 by mail, email or telephone. In addition, companies should hold the certificate of emergency issued by the Ministry of Economy, Energy and the Business Environment which will be obtained online through its website.
- **The form of the statement which employers are required to use for the settling of the allowance paid to parents who are employees has been adopted.** Employers will issue a sworn statement which can be submitted to request from the state the allowances related to the days off paid to parents during the temporary closure of educational facilities.

For any further information and assistance with respect to the above and any other **COVID-19** related legal matters, please do not hesitate to contact us at covidhelpdesk@peterkapartners.com.