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**Emergency Ordinance no. 82/2010 regarding the amendments of art. 7 of Law no. 571/2003 regarding the Fiscal Code and article III of Emergency Ordinance no. 58/2010 regarding the amendment of the Fiscal Code and other financial and tax measures<sup>i</sup>**

➤ **Amendment to the Fiscal Code**

Further clarifications are brought with respect to the deemed employment criteria.

➤ **Norms for the application of article III of Emergency Ordinance no. 58/2010**

**Definition of “professional income”**

For the purpose of the social security (pension) and unemployment contribution, professional income is defined as income from intellectual property rights and similar rights, as well as income obtained further to activities performed based on Civil Code contracts.

**Persons liable to tax**

Persons who obtain professional income on an occasional basis, in addition to salary income, are not liable to social security and unemployment contributions on such income.

Persons who exclusively obtain professional income are liable to social security and unemployment contribution on:

- a) the net income (for Civil Code contracts), respectively the net income diminished with the allowed deductions (for intellectual property rights), if the professional income is obtained on a regular basis;
- b) the annual income, but the tax base cannot exceed on an annual level five times the average gross salary established at the level of the economy, if the professional income is obtained on an occasional basis.

**Contribution rates and declaration**

The applicable contribution rates are the individual social security and unemployment rates established annually through the Budget Law.

The liability to declare, withhold and pay the arising social contributions lies with the income payer. A return must be submitted on a monthly basis, by the 25<sup>th</sup> of the following month, regarding the persons who obtained professional income in that respective month.

The returns must be submitted with the territorial Pension Houses, as well as the territorial Unemployment Agencies.

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