

Tax Flash

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Global income tax

Order 85/2005 of the Ministry of Public Finance regarding the setting up of the annual brackets and the personal base deduction considered for the computation of the global income tax for the fiscal year 2004

(Official Gazette 113 / 3 February 2005)

Through the present Order, the Government establishes the annual tax brackets for computing the global income tax for 2004 as follows:

Annual taxable income	Annual tax rates
-Lei-	-Lei-
Up to 30,200,000	18%
30,200,001 to 73,000,000	5,436,000 + 23% over 30,200,000
73,000,001 to 117,000,000	15,280,000 + 28% over 73,000,000
117,000,001 to 163,500,000	27,600,000 + 34% over 117,000,000
Exceeding 163,500,000	43,410,000 + 40% over 163,500,000

The Order also provides for the level of the personal base deduction to be used for computing the 2004 global income tax which is of ROL 2,100,000 per month. Professional expenses deduction is amended accordingly (i.e. ROL 315,000).

This update is correct to the best of our knowledge and belief at the time of issue. It is, however, written as a general guide so it is recommended that specific professional advice is sought before any action is taken.

**For additional information,
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