



HR & Payroll Guide Romania

Answers to common questions

mazars

Employment contract





Employment contract 1/9

Who must sign the employment contract?

1

The empowered person (Administrator, General Manager, other empowered people) and the employee. The employment contract must be signed and registered (with the General Electronic Register of the Employees) at least one day before the starting date of the activity.

How can the employment contract be signed?

2

The parties may choose to use the advanced electronic signature or the qualified electronic signature for concluding, amending, suspending, or terminating the individual employment contract. The general rule is that the parties must use the same type of signature, namely the handwritten or the electronic signature.

The employer cannot oblige the selected person for employment or, as the case may be, the employee, to use the advanced electronic signature or the qualified electronic signature.

Please note that, according to the legislation, employment contracts must be concluded in the Romanian language. In practice, the use of a bilingual employment contract is agreed upon, but in case of inconsistencies between the Romanian and the English version, the Romanian version shall prevail.

Can you please advise on the type of employment contract that is allowed? Fixed or Permanent?

3

As a general rule, employment contracts in Romania must be concluded for an unlimited duration (permanent). Exceptions (fixed term) are settled expressly by the law (replacement of an employee whose labour agreement is suspended, temporary modification of the employer's activity, progression of some seasonable activities, the employee met the retirement conditions within 5 years from the date of employment, etc.).



Employment contract 2/9

4

Does the employer have any obligation before signing the employment contract?

1. Yes, there is the obligation of the employer to obtain, from the occupational medicine doctor, the confirmation sheet attesting that the future employee is able to work, before the starting date of the employee's activity. If the employer does not comply with this provision, the employment contract might be considered null.
2. Yes, employers are required to inform the Unemployment Agency about all the vacancies within 5 working days of their creation. Also, the employers must inform the Unemployment Agency in case the notified vacancies have been filled in, within one day after they are filled in. All the correspondence with the Unemployment Agency is performed online.

5

Can you please list all the documentation and requirement needed in general for new starters?

Copies of:

- ID card;
- Labour medicine confirmation sheet;
- Latest and relevant study diploma;
- Employees' statements regarding the health insurance house, dependents, and any other specific information (e.g.: disability certificate, etc.);
- Children's birth certificate, if the case and if necessary;
- Marriage certificate/ divorce decree, if the case and if necessary;
- Contributory period certificate from the former employer, where applicable;
- Liquidation note from the former employer; criminal record (only for certain job titles, for example, warehouse operative/treasurer, etc.).

In terms of documents requested, the employer shall consider the relevancy from a legislative requirement perspective.



Employment contract 3/9

6

When do you need to inform the new starter?

Before the starting date of the activity (considering that the labour agreement signature, its registration and handover of an original copy of the labour agreement to the employee must be done at least 1 (one) day before the starting date of the activity).

7

What is The General Electronic Register of the Employees?

The employer has the obligation to keep electronic evidence where all the employees are registered and to inform the Labour Authority with regards to new employees, changes on the existing employment agreements, and suspension/cessation of the employment agreements, as follows:

- The employment agreement: at least one day before the starting date;
- The changes on the employment agreement: before the date when changes enter into force;
- The change in the salary: within 20 working days from the date of the change;
- The suspension/reactivation of the employment agreement: at least one day before the date of suspension/reactivation date;
- The cessation of the employment agreement: at the cessation date, the latest;
- The transfer of the employees: within 5 working days from the date of transfer, respectively from the date of taking over through transfer;
- The secondment and transnational secondment: at least one day before the change occur.



Employment contract 4/9

8

How is the information about the employee's employment contract sent to the Labour Authority?

The information about an employee's employment contract is sent online to the Labour Authority, by uploading a specific file, in the dedicated portal. On this portal, the employer must authenticate by using a password, previously obtained from the Labour Authority.

9

The Employer can outsource the registrations mentioned at points 7 & 8 above?

Employers can outsource the service of completing and transmitting data in the register by concluding a services agreement with providers. In this case, the employers have the obligation to notify the Territorial Labour Inspectorate, about the services agreement, as well as the identification data of the provider, within 3 working days from the date of concluding the service agreement.

10

What about the employee job title to be mentioned in the employment contract?

In the employment contract, it is mandatory to mention a job title by following the Job Titles Classification in Romania (C.O.R.).

11

How many fixed-term employment contracts can be given?

3 fixed-term employment contracts. Special situations will need appropriate analysis.



Employment contract 5/9

12

Can you please advise us on the probation and notice period, for an indefinite period and for a fixed-term employment contract?

The probation period when having an employment contract for an indefinite period cannot exceed:

- 90 calendar days for executive positions;
- 120 calendar days for management positions.

The probation period when having an employment contract for a limited period cannot exceed:

- 5 working days, for a duration of the employment contract not to exceed 3 months;
- 15 working days, for a duration of the employment contract ranging between 3 and 6 months;
- 30 working days, for a duration of the employment contract exceeding 6 months;
- 45 working days, in the case of employees hired for management positions, for a duration of the employment contract exceeding 6 months;
- 45 working days in the case of disabled persons.

It is forbidden to establish a new probation period if, within 12 months, a new individual employment contract is concluded between the same parties, for the same position and responsibilities.

Also, the Employer has the obligation to set out in the individual employment contracts the conditions for the probation period.

Notice period in case of dismissal:

Minimum 20 working days for all types of job titles, regardless of whether the employment contract is concluded for a limited or unlimited duration*.

Notice period in case of resignation:

For executive positions: no more than 20 working days;

For management positions: no more than 45 working days.

During the probation period, the termination of the labour agreement is made by simple notification, without the need to motivate it (by either party) and without a notice period.



Employment contract 6/9

Can you please list all types of employment contract termination?

- Rightfully;
- Based on the parties' consent, on the date agreed upon by them;
- As a result of one of the parties' unilateral will, in the cases and under the limitation terms stipulated by the law (resignation, dismissal, etc.)

13

Regardless of the legal ground of the employment contract termination, the employer must issue a seniority certificate upon employment contract termination along with a report from the electronic register of the employees. Usually, the liquidation note and a contributory period certificate are also required by the former employees.

In addition, please be informed that the employer is obliged to issue any documents certifying the activity of the employee, seniority, salary, within 15 days from the written request.

When do you need to inform the leaver?

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It also depends on the termination type. For suppression of the employee's position, at least 20 working days in advance (but it also depends if the dismissal is individual or collective). For professional inadequacy, an evaluation procedure is required. For disciplinary reasons, a disciplinary committee must be organised and the misconduct, properly investigated.

If a Collective Bargaining Agreement is applicable, its provisions are to be taken into consideration as well.



Employment contract 7/9

Is a non-competition clause allowed in the employment contract?

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Yes. The non-competition clause produces its effects only after the employment contract termination, and for no more than 2 years, with the obligation of the employer to pay (after the employment contract ends) a monthly non-competition allowance (taxable) equal to at least 50% of the average revenues of the employee during his last 6 months in the company. If the duration of the individual labour agreement was less than 6 months, the non-competition allowance is equal to at least 50% of the average revenues of the employee during his employment contract.

In addition, please consider that there are also other mandatory elements to be part of such a provision to fully comply with the Romanian labour legislation, such as activities that are forbidden to the employee after the termination of the contract, the amount of the monthly non-competition allowance, the period for which the non-competition clause has its effect, the third parties in favour of whom the employee is prohibited to perform the activity and the geographical area where the employee may compete with the employer.

Can other clauses be mentioned in the employment contract?

16

In addition to the non-competition clause, other specific clauses may be negotiated and included in the individual employment contract, such as, without being limited at:

- the clause regarding vocational training;
- the mobility clause;
- confidentiality clause, etc.



Employment contract 8/9

17

Can employees have several employment contracts?

Yes, any employee has the right to work at different employers or at the same employer, based on individual employment contracts, receiving the corresponding salary for each contract, without overlapping the working hours.

18

What does tailored working schedules mean?

The employer may establish tailored working schedules with flexible setup of the working hours. The legal provisions define the flexible organisation of working hours as a possibility for employees to adapt their working hours, including remote working arrangements, flexible work schedules, individualised work schedules or short time working schedules.

19

Can the employer refuse the tailored working schedule requested by an employee?

Yes, the employer can refuse the tailored working schedule requested by an employee. The employer's refusal to comply with such a request must be motivated, in writing, within five working days from the moment of the request.



Employment contract 9/9

20

When is the Collective Labour negotiation required?

Collective bargaining for the conclusion of a collective labour agreement is mandatory for all employers who have at least 10 employees. The initiative to negotiate the collective labour agreement can belong to any of the parties (employer or employees' representatives/union organisations).

If the parties (the employees' representatives and the company's representatives) agree upon the negotiated clauses, the Collective Labour Agreement is to be prepared and registered with the Territorial Labour Inspectorate. The Collective Labour Agreement can only be concluded for a fixed period, between 12 and 24 months, with the possibility of extension by mutual agreement, once, for a maximum of 12 months.

21

Is the Internal Regulation necessary?

Yes, the Internal Regulation is necessary. It is a mandatory document, which establishes the rules that must be observed by the employer and the employees. The document must be drawn up by the employer and brought to the attention of its employees on their first day of employment. The notification of the employees in respect of the provisions of the Internal Regulation can be performed on paper or in electronic format.

Although the Labour Code regulates the relations between employees and employers, an internal regulation is necessary because it contains the specific rules and procedures to be followed within the company, that the Labour Code cannot include.

Working hours





Working hours 1/3

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What are the average work hours in a week? Is there a maximum of hours per day?

8 hours/day, 40 hours/week, no more than 48 hours per week, including overtime. After 12 hours of work/day, 24 hours of rest are required.

23

Is it mandatory to keep records of the daily work hours performed by each employee?

Yes, the employer has the obligation to keep evidence of the daily work hours performed by each employee, highlighting the starting and ending hours of the working program, and shall present such evidence to the labour inspectors whenever required.

24

Is Part-time a common practice? Can you provide us with the part-time rate?

Yes. From 1 to 7 hours/day.

Please note that overtime is not allowed for part-time workers. Failing to comply with this regulation might risk a fine between RON 10,000 and RON 15,000 for each employee (up to the limit of RON 200,000).



Working hours 2/3

25

Overtime: What is considered overtime, what is the rate, and how do you calculate it?

The work performed outside the normal duration of the weekly work time (40 hours/week – part-time employees are not allowed to perform overtime).

The maximum lawful length of the work time shall not exceed 48 hours per week, including overtime hours. (As an exception, the length of the work time, including the overtime hours, may be extended over 48 hours per week, provided the average number of work hours, as calculated for a reference period of 4 calendar months, does not exceed 48 hours per week). Overtime is compensated by paid time off in the next 90 calendar days after the overtime was performed. Only if the compensation with paid time off is not possible within 90 calendar days, the extra work shall be paid to the employee by adding to the monthly gross salary, an increment corresponding to its duration. The increment for extra work, granted under the terms stipulated above, may not be lower than 75% of the monthly gross salary.

The conditions for performing and compensating or paying overtime must also be included in the employment contracts.



Working hours 3/3

Work during the weekends and weekly rest - What is considered, what is the rate, how do you calculate it?

26

According to the Romanian Labour Code, the weekly rest shall be of 48 consecutive hours, usually on Saturdays and Sundays. If the weekly rest on Saturdays and Sundays would cause prejudice to the public interest or the normal progression of the activity, the weekly rest may also be granted on other days outlined in the applicable collective labour contract or the internal regulations.

Under the circumstances stipulated above, the employees shall benefit from a wage increment set in the collective labour contract or, as applicable, in the employment contract.

It is a common error to consider work during weekly rest as being overtime. For example, for employees who have a regular working schedule from Monday to Friday, working during weekends, the first is not allowed and the second is not considered overtime by the Romanian Labour Code.*

**The weekly resting time can be suspended only in special cases and only if complying with specific constraints as settled by the Romanian Labour Code.*

Public holidays - What is considered, what is the rate, and how do you calculate it?

27

Work during public holidays is compensated with paid free days in the next 30 calendar days. If the compensation with paid time off is not possible within 30 calendar days, the extra work shall be paid to the employee by adding an increment. The increment for extra work, granted under the terms stipulated above may not be lower than 100% of the monthly gross salary, prorated based on the time worked during a public holiday.

Days off





Days off 1/5

28

What is the holiday entitlement per year?

A minimum of 20 working days/year. Employees who work in difficult, dangerous or harmful conditions, the unseeing people, other disabled people and young people up to 18 years of age benefit from an additional rest leave of at least 3 working days.

29

Are the holidays granted in the starting year of employment?

Yes, prorated with the worked period.

30

What is the procedure for granting unpaid leave?

For personal emergencies, employees are entitled to unpaid leave. The employee must address an official request and a suspension decision is to be prepared, following the employer's approval. The maximum number of days for unpaid leave will be regulated by the employer through the Internal Regulation document.

31

What happens if holiday entitlement is not used in a year?

The vacation days **must** be taken/granted, as a rule, within every year. If the employee, for justified reasons, cannot perform all or part of the annual leave to which he was entitled in that calendar year, *the employer is obligated to grant the annual leave not taken, within 18 months from the year following the one when the entitlement to vacation leave arose.*

32

Unexcused absence

Unexcused absences can suspend the employment contract and it represents misbehavior, subject of investigation during the prior disciplinary investigation procedure.



Days off 2/5

33

What is the common practice with days off for special events like marriage, birth, death in the family, and others?

The employees shall also be entitled, in case of outstanding family events, to receive paid days off, as follows (the events and the number of days must be settled in the Internal Regulation document, by the employer). Here are just examples:

- Employee's marriage – 5 days;
- Marriage of a child – 2 days;
- Birth of a child/Paternity Leave - 10 days + 5 days in case the father obtained an infant care certificate (these numbers of days are mandatory in this case). The father benefits from this leave for each newborn child, based on the certificate of completion of the childcare course, regardless of the issuance date of the certificate;
- Death of spouse, child, parents, parents-in-law – 2 days;
- Death of grandparents, brothers, sisters – 2 days;
- Blood donors – days off per the law in force;
- Change of workplace further to the relocation at the employer's request – 5 days;
- Employees undergoing an in vitro fertilisation procedure – 3 days in accordance with the legal provisions;

34

Accommodation leave

Accommodation leave is granted to employees who decided to adopt a child. It cannot exceed 1 year, including the period of custody of the child for adoption. During this period, the contract is suspended and the employee benefits from an accommodation indemnity granted by the state institution. Employers are obliged to grant the employee who adopts, paid free days to perform the required assessments for obtaining the certificate and achieving practical suitability, without reduction of wages, up to a maximum of 40 hours per year.



Days off 3/5

35

What about childcare leave?

The persons who, in the last 2 years before the child's birth, have earned for at least 12 months salary incomes, benefit from childcare leave for raising a child to 2 years, respectively 3 years, in the case of a disabled child, as well as a monthly allowance. The monthly allowance is 85% of the average net income achieved in the last 12 months of the last 2 years before the date of birth of the child.

The minimum amount of the monthly allowance may not be less than the amount resulting from the application of a multiplication coefficient of 2.5 to the value of the reference social indicator, and its maximum amount may not exceed the value of RON 8,500. The allowance is paid directly by the state and during this period, the employment contract is suspended.

36

What is the regulation about sickness days?

The sickness leave is paid based on a medical certificate issued by a physician. The employee must announce his condition to the employer within 24 hours from the moment the medical certificate was issued. If the sickness occurred on the non-working days, the employee must announce the employer about his condition on the first working day. There may also be situations in which the medical leave certificate is issued at a later date (e.g.: COVID-19).

37

Is the salary maintained during sickness days?

As a rule, the first 5 calendar days are paid by the employer, and the next days are calculated and paid by the employer and recovered from the Health Insurance Authority. There are also exceptions. The sick leave indemnity is ranging between 75% and 100% of the calculation base (average of the employee's revenues during his last 6 months of activity).



Days off 4/5

What is the regulation for Maternity leave?

38

126 calendar days (usually 63 days before + 63 days after the birth). It represents 85% of the calculation base (average of the employee's revenues during her last 6 months of activity).
Note: Maternity Leave is different from Childcare Leave.

Is the salary maintained during maternity leave?

39

The maternity leave allowance is calculated and paid by the employer and recovered from the Health Insurance Authority. The maternity leave allowance represents 85% of the average income earned in the last 6 months before the one the medical leave is issued. The maternity leave allowance is subject only to social security contribution of 25%.

What is vocational training leave?

40

Vocational training leave may be paid or unpaid.
At the employee's initiative - the request must be submitted to the employer at least 1 month prior to the beginning of the training and must note the date of the beginning of the training, the activity area and the name of the institution.

If the training is provided by the company, the absence period is considered paid day off.

Furthermore, please note that according to the Labour Code provisions, the Employer has the obligation to ensure vocational training for all its employees:

“If the employer has not met his obligation to ensure, at his own expense, an employee's participation in vocational training classes under the law, that employee shall be entitled to a vocational training leave, paid by the employer, of up to 10 workdays or up to 80 hours.”



Days off 5/5

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Can you provide us with the public holidays in Romania?

The Romanian legal holidays' calendar for the year 2023:

- 1 January (Sunday) – New Year;
- 2 January (Monday) – New Year;
- 24 January (Tuesday) – Romanian Principalities Unification Day;
- 14 April (Friday) – Holy Friday;
- 16 April (Sunday) – Orthodox Easter;
- 17 April (Monday) – Orthodox Easter;
- 1 May (Monday) – Labour Day;
- 1 June (Thursday) – International Children's Day;
- 4 June (Sunday) – Orthodox Pentecost;
- 5 June (Monday) – Orthodox Pentecost;
- 15 August (Tuesday) – Assumption of the Virgin Mary;
- 30 November (Thursday) – Saint Andrew;
- 1 December (Friday) - National Day of Romania ;
- 25 December (Monday) – Christmas;
- 26 December (Tuesday) – Christmas;
- 2 days for each of the 3 annual religious holidays, thus declared by the legal religious cults, other than the Christian ones, for the persons belonging to them.

42

Are there additional leave absences for employees?

Yes, there are new types of leave:

- carer's leave (5 working days in a calendar year, at the written request of the employee, to provide personal care/support to a relative/person living in the same household who needs care/support, following a serious medical condition); the Labour Code defines the categories of persons who can be considered as relatives when granting carer's leave to the employee.
- the absence from work in unexpected circumstances (maximum of 10 working days in a calendar year, provided with the condition that the employer is informed in advance and that the period of absence is fully recovered based on the parties' agreement).

Salary payments





Salary payments 1/3

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How many salary payments per year and in a month?

Usually, one per month/12 per year. However, the employer can do its payments schedule (twice per month/13 per year – if the policy exists, for example), but at least one payment/ month.

44

How is the payslip usually given to the employee?

Usually, there is a handover. It is also possible to send it by e-mail, password-protected or through a portal (employee self-service).

45

When an employee is leaving the company, how and when does the final payment takes place?

At the payment date settled in the labour agreement (ex: end of the month). The vacation days that remained untaken must be also compensated to the employee with his last payment (this being the only situation when the remaining days from the annual leave can be paid).

46

Do we have to pay a new starter in the same month of employment?

The salary must be paid at the payment date settled in the labour agreement. Even if the payment date occurs in the following month, the employee has the right to receive the salary for the period starting with the first day of work.



Salary payments 2/3

47

Is there a mandatory pay date for salaries?

No, the employer can set the payment date through the employment contract and Internal Regulations (e.g.: end of the month, the 5th day of the following month or even until the 10th – 15th day of the following month).

48

How is the pension arranged? Is it mandatory?

Yes, the pension contribution to the public system is included in the payroll. Special situations will need appropriate analysis.

49

Is medical insurance mandatory?

Yes, the contribution to the public health insurance system is included in the payroll. Special situations will need appropriate analysis.

50

Is income tax mandatory?

Yes, the income tax is included in the payroll. Special situations such as programmers, disabled persons, construction workers, personal deductions etc. will need appropriate analysis.

51

Are there any economic conditions applicable to determine the salary of an employee?

The employer must establish for each employee at least the minimum gross salary per economy required in Romania, which as of 1st January 2023 is RON 3,000, considering a normal working schedule of 8 hours per day, 40 hours/ week.

The minimum gross salary per economy applied in the construction sector, as of 1st January 2023, is RON 4,000 for a full-time employment contract.



Salary payments 3/3

What are the taxes due for the salary rights, by the employee/employer?

Taxes due by the employee:

- Social security contribution (pension): 25%;
- Health insurance contribution: 10%;
- Income tax: 10%.

Taxes due by the employer:

- Insurance contribution for work: 2.25%.
- Disability fund: 4% from the average number of employees * minimum gross salary (due in case the average number of employees is at least 50). As an alternative, the employer can hire an equivalent number of persons with disabilities. Also, the Employer can purchase products/ services from the protected units, as per the provisions stipulated by the law.
- Social contribution: 4% due in case of particular working conditions or 8% due in case of special working conditions.

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For part-time employment contracts, for which the gross monthly income on which individual social contributions are due (pension contribution 25% and health contribution 10%) is below the level of the minimum gross wage, the obligation to pay individual social contributions at the level of the minimum wage, corresponding to the number of working days of the month in which the contract was active, has been reintroduced, the individual social contributions difference being borne by the employer on behalf of the employee. The employees exempted from paying individual social contributions at the level of the minimum gross wage are:

- students under 26 years old;
- employees with disabilities or other individuals allowed by law to work less than 8 hours a day;
- retired individuals for the age limit in the public pension system;
- employees earning during the same month salary-related income from two or more individual employment contracts, and whose cumulative monthly calculation base is at least equal to the gross minimum wage.

Benefits



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Do we have to provide complementary private health care?

No. However, there is the obligation of the employer to conclude (I) occupational medicine and (II) occupational health and safety agreements with specialised services providers, before the starting date of the employee's activity.

Of course, the employer can decide to grant complementary private health care plans, to its employees.

54

Does the employer have to take charge of the lunch or part of it?

No. However, there is a meal voucher system (in value of a maximum of RON 30 / worked day, except for business travels). The value of the meal vouchers is subject only to an income tax of 10%, if granted according to the legal provisions.

55

Is the lunch break mandatory?

In cases where the daily working time is longer than 6 hours, employees are entitled to a lunch break and other breaks, under the conditions established in the Internal Regulation. Employees under 18 years old shall benefit from a break of at least 30 minutes if the daily working time is more than 4:30 hours. The breaks shall not be included in the normal working time if it is not specified in the Internal Regulation.

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Bonus:

Is a quarterly bonus accepted?

Any particular requirements for the calculation?

Any other benefit we should know about?

Any kind of bonus is accepted (taxable, in the same way as the salaries).

The Employer can grant non-taxable benefits (such as birth/ funeral/ natural disaster compensations) as per the provisions of the employment agreement or Internal Regulations, in accordance with the Fiscal Code provisions.

Gifts, including gift vouchers, offered by employers to employees, as well as those offered for the benefit of their minor children, on Easter, Christmas and similar celebrations of other religious cults, as well as gifts, including gift vouchers, of women employees on 8 March are non-taxable, if their value for each person, on each occasion of the above, does not exceed RON 300.

Gifts, including gift vouchers offered for the benefit of employees' minor children, on 1 June, are non-taxable if their value for each child does not exceed RON 300.

57

Which kind of costs (travel/medical) can be reimbursed via payroll?

Only the benefits in kind.

What other benefits can the employer give to employees?

The benefits that the employer can grant are various depending on the budget that he has allocated for this purpose.

Here are just examples:

1. *Meal vouchers* - are granted monthly for the days worked by the employee and the maximum value of a meal voucher is RON 30. Meal vouchers are exempt from paying salary contributions, being taxed at only 10% income tax if granted according to the legal provisions.

2. *Cultural vouchers* - can be granted monthly or occasionally, for the purchase of cultural goods and services (books, tickets for concerts/theatre/exhibitions/fairs, etc.). The maximum level of amounts awarded as cultural vouchers may not exceed the amount of:

- RON 190 for the cultural vouchers granted monthly;
- RON 380/event, for those granted occasionally.

Cultural vouchers are exempt from paying salary contributions, being taxed at only 10% income tax if granted according to the legal provisions.

3. *Gift vouchers* - if they are granted within the limits and occasions mentioned at point 57 above, they are exempted from the payment of salary contributions and income tax. If they are granted for other occasions or their value exceeds RON 300/event, they will be taxed with salary contributions and income tax.

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58

4. *Nursery vouchers* - may be monthly granted to employees who do not benefit from the leave and allowance granted for raising a child up to 2 years, respectively 3 years in the case of a disabled child, for the payment of fees at the nursery where the child is enrolled. The value of the monthly amount that can be granted as nursery vouchers is RON 570 for each child at the nursery. Nursery vouchers are exempt from paying salary contributions, being taxed at only 10% income tax if granted according to the legal provisions.

5. *Holiday vouchers* – are granted to cover expenses for a vacation only in Romania. The maximum level of the amount that can be granted to an employee, during a fiscal year, as holiday vouchers, is 6 minimum gross base salaries.

Holiday vouchers are exempted from paying salary contributions, being taxed at only 10% income tax if granted according to the legal provisions.

6. *Vocational training* - the amounts are exempted from the payment of salary contributions and income tax if the vocational training is related to the activity carried out by the employee, as it is mentioned in his job description.

Special situations will need appropriate analysis.

From January 2023, certain benefits granted by the employer to its employees can be considered non-taxable only if their total value/month does not exceed 33% of the gross monthly salary of the entitled employee.

At the same time, an individual ceiling per each type of benefit included in this category must be considered, to apply the fiscal facilities. Thus, in the first stage the employer must assess the individual cap/ benefit, and afterwards analyse if the monthly value of the benefits granted to the employee that are included in this category does not exceed the global cap of 33% of the gross monthly salary, to grant these benefits as non-taxable amounts.

The following benefits are included in this category:

- **mobility allowance** – up to 2.5 times the legal level established for the delegations/secondment allowance, according to the law;
- the value of **the food** provided by the employer for its employees, within the limit of the maximum value of one meal ticket per employee per day, only for the cases when meal tickets are not granted to the employees;
- **accommodation and rent compensation for own employees** – within a monthly limit of 20% of the minimum gross wage, as per the Fiscal Code provisions;
- **the cost of tourist and/or treatment services**, including transportation, during the holiday period for employees and their family members, as stipulated in the individual employment contract, internal regulation or special laws, up to an annual limit, for each employee, equal to the average gross salary for the year in which they are granted (the average gross salary is RON 6,789 in 2023);

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- **the voluntary health insurance and medical subscription**, borne by the employer for its employees, within the limit of EUR 400/ year/ employee;
- the contributions to a **voluntary pension fund**, borne by the employer for its employees, within the limit of EUR 400/ year/ employee;
- **telework allowance** within the limit of RON 400/ month corresponding to the number of days in the month in which the employee performs the activity in the teleworking regime.

From February 2023, a new type of benefit, granted by the employer to its employees was included in the list of non-taxable income within the monthly cap of 33% of the gross monthly salary of the entitled employee, respectively:

- **the sports subscriptions for training, prevention or therapy**, borne by the employer for its employees, within the limit of EUR 400/ year/ employee.

The law stipulates that it is the responsibility of the employer who grants these benefits to establish the order of priority regarding the inclusion of these amounts in the non-taxable monthly limit.

The value of all benefits listed above, for the part that exceeds the ceiling of 33% of the gross monthly salary of the employee, is considered a salary-related income subject to salary income tax of 10% and social security contributions (employee and employer).

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