

## Incentives for Small and Medium Enterprises

### ***Simplified taxation: 3% on turnover obtained in the reported fiscal period***

The incentive consists in the right to have the taxable income reduced by an amount calculated by multiplying the yearly average salary in the country for the year prior the reported fiscal year by the increase of the average number of employees in the reported fiscal year compared to the previous year, but not higher than the taxable income.

#### **Eligibility**

SMEs that are not registered as VAT payers during the reported fiscal period

#### **Relevant legislation**

[Fiscal Code \(Art. 54/1-54/4\)](#)

#### **Details**

Economic agents that during the reported fiscal period are not registered as VAT payers (excepting agricultural producers (farmers) and individual entrepreneurs), and their income from the operational activity as of 31 December of the period prior to the reported fiscal period is in the amount of:

- Up to MDL 100 thousand – are obliged to apply the fiscal regime for SMEs (3%);
- MDL 100 thousand to 600 thousand – may choose between the fiscal regime for SMEs (3%) or the established general manner (12%).

The income from the operational activity is registered in the account groups 611 and 612 of the Chart of Accounts of the economic-financial activity of economic agents.

The tax is calculated on quarterly basis.

The payments are made within a month after the respective quarter has finished.

The report on the income tax for SMEs (3%) is compiled on the official form approved by the Ministry of Finance which is submitted once a year to the territorial STI where the taxpayer has its main office, no later than 31 March of the year following the reported period.