We continue to inform you about the news, amendments and modifications introduced in the legislation of the Republic of Moldova within May 2011.

Amendments and modifications of legislation in next fields:

Enterpreneurship

1. In order to fulfil the provisions of the Section 4 of the Government Decision No. 547 of August 4, 1995 on "Measures for price coordination and regulation by state", which establishes that natural and legal entities performing entrepreneurial activity are obliged to indicate, when commercializing socially important goods, the purchase/delivery price and the size of the cumulative trade margin in the special primary documents (invoices/tax invoices), the Ministry of Finance has introduced modifications in the Appendix No. 4 to the Order No. 115 of September 6, 2010 "On the approval and completion of the standard form of the primary documents of special regime "Tax invoice". Thus, there have been exposed the peculiarities of calculation of the cumulative trade margin when filling out tax invoices in case of trading socially important goods for which limited trade margin is established. (Order of the Ministry of Finance No. 30 of March 25, 2011, Official Monitor of the Republic of Moldova No. 82 of May 17, 2011).

2. The Government has approved the Regulation on method of utilization of funds for farmers' subsidizing for 2011. The Regulation sets out the documents to be submitted for grants; administration, authorization and control over the efficiency of utilization of funds for farmers' subsidizing, etc. (Government Decision No. 369 of May 24, 2011, Official Monitor of the Republic of Moldova No. 86 of May 24, 2011)

Tax legislation

1. Changes and additions have been introduced in the Government Decision No. 474 of April 28, 1998 "On application of control and cash-registers with fiscal memory for cash disbursements" (republished in the Official Monitor of the Republic of Moldova, 2008, special edition). These modifications affected all the regulations approved by the above mentioned Decision. It should be noted that according to the modifications introduced in the Appendix No. 5 to the Regulation on application of control and cash registers for carrying out cash disbursements there was established the right of the taxpayer performing activities of cash disbursements, where cash disbursements are occasional, to request using of the same register in the immediately following reporting year by presenting the register at the tax body. Through the completion of the List of activities, the specificity of which allows carrying out cash disbursements without applying control and cash registers, it was established that the bailiff is not obliged to use control and cash registers in its activity. It was also specified that only economic agents that are not VAT payers have the right to not use control and cash registers in commercialization of agricultural products grown on own or rented land to population in authorized places. (Government Decision No. 368 of May 23, 2011, Official Monitor of the Republic of Moldova No. 87-90 of May 27, 2011)

2. The Government has made changes in the Appendixes No. 1 and No. 2 to the Government Decision No. 246 of April 8, 2010 "Regarding method of application of VAT zero tax at delivery of goods and services on the territory of the country and of providing tax and customs facilities for ongoing projects on technical assistance and investment falling under the incidence of international treaties the Republic of Moldova is a part of". Thus, the following was exposed in modified publication:

- The list of ongoing technical assistance projects falling under the incidence of international treaties for application of income-tax exemptions, excises, customs duties, as well as application of VAT zero tax for the meant for them goods and services;
- The list of loans and grants offered to the Government of the Republic of Moldova or awarded under state guarantee from loans granted by international financial institutions (including Government's share), from grants awarded to budget institutions, to conduct investment assistance projects on the expense of which to import or purchase goods (works, services) exempted from excises, duties, taxes on customs procedures, taxed at VAT zero rate.

(Government Decision No. 367 of May 23, 2011, Official Monitor of the Republic of Moldova No. 87-90 of May 27, 2011)

The Main State Tax Inspectorate has approved the Framework Regulation on general principles for the establishment and operation of tax positions. The given normative act regulates the method of establishment and operation of tax positions, the examination of the results of the tax position, assessment of the estimated income as a result of operation of the tax position, etc. (Order of the Main State Tax Inspectorate No. 295 of April 26, 2011, Official Monitor of the

Republic of Moldova No. 87-90 of May 27, 2011)

Labour legislation

With purpose of realizing some common and concrete actions and measures regarding regulation of conditions in labour and education, insurance of social-economic guarantees, protection of legitimate rights and interests of employees in educational system, the General Department of Education, Youth and Sports of the Chisinau Municipality and the Chisinau Municipal Council of the Trade Union of Education and Science have singed the collected labour contract (of municipal level) for the period 2011-2015. The given collective contract refers to employees and employers that have empowered their representatives to take part in collective negotiations, to elaborate and sign labour collective contracts under their name, to public authorities within the limits of their commitments, as well as to employees and employers who have adhered to labour collective contract after its termination. (Official Monitor of the Republic of Moldova No. 83-85 of May 20, 2011).

Banks and banking activity

1. The Law on financial institutions No. 550-XIII of July 21, 1995 has been republished (Official Monitor of the Republic of Moldova No. 78-81 of May 13, 2011).

2. On June 3, 2011, the National Bank of Moldova put into circulation as legal tender and numismatic coin a new commemorative coin dedicated to the 20th anniversary of the establishment of the National Bank of Moldova (Decision of the Administration Council of the National Bank of Moldova No. 106 of May 20, 2011, Official Monitor of the Republic of Moldova No. 87-90 of May 27, 2011).

3. There have been approved the Recommendations regarding banks' approaches based on risk of clients to prevent and combat money laundering and financing of terrorism. These recommendations have as purpose to provide methodological guidance to banks in the process of creation of some internal effective mechanisms for identifying and assessing clients' risks, their activities and transactions (operations) in order to prevent and combat money laundering and financing of terrorism; control of clients of high risk, peculiarities of internal control, etc. (Decision of the Administration Council of the National Bank of Moldova No. 96 of May 5, 2011, Official Monitor of the Republic of Moldova No. 83-85 of May 20, 2011).

4. The National Bank of Moldova has maintained:

- Base rate applied to the main operation of short-term monetary policy at 8% annually;
- Interest rate for overnight loans at 11% annually;
- Overnight deposit interest rate at 5% annually.

(Decision of the National Bank of Moldova No. 89 of April 28, 2011, Official Monitor of the Republic of Moldova No. 74-77 of May 6, 2011)

Accounting and auditing

The Ministry of Finance has approved the method of paying and accounting the payments to the national public budget through the treasury system of the Ministry of Finance in 2011 (Order of the Ministry of Finance No. 54 of May 23, 2011, Official Monitor of the Republic of Moldova No. 87-90 of May 27, 2011).

Regulations in different fields

1. The Government has approved the Minimum amounts of maintenance funds for foreigners in the Republic of Moldova. Thus, according to the requested right to stay, foreigners will prove existence of means of support in the amount established for each category:

- at the request of entry visa or at entry into the Republic of Moldova – at least 30 EUR/day but not less than 300 EUR or equivalent in convertible currency for a stay shorter than 10 days;

- at the extension of temporary residence right for work – a guaranteed minimum amount of wage in the real sector;
- at the request/extension of the temporary residence right for studies – a guaranteed minimum amount of wage in the real sector for the whole period offered the right of residence;

- at application/extension of the temporary residence right for family reunification – an average monthly salary in the national economy for each family member;
- at application/extension of temporary residence right for humanitarian or religious purposes – a guaranteed minimum amount of wage in the real sector for the entire period with right to stay;
- at request/extension of the right to stay for long-term medical, rehabilitation or sanatorial treatment – a guaranteed minimum amount of wage in the real sector for the whole period with right of residence;
- at the request of the right for permanent residence – a guaranteed minimum amount of salary in the real sector.

It should be mentioned that according to the Government Decision No. 165 of 09.03.2010, the guaranteed minimum amount in the real sector constitutes MDL 1100 per month, while according to the Government Decision No. 968 of 18.10.2010 the amount of average monthly wage in the economy forecasted for 2011 is MDL 3300 (Government Decision No. 332 of May 5, 2011, Official Monitor of the Republic of Moldova No. 78-81 of May 13, 2011).