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THE NEW APPROACH REGARDING TAXPAYERS INFORMATION IN ROMANIA

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Summary: In this manuscript we intend to reveal the importance of tax information for the economic environment in Romania.

Access to information is the key to quick success in business and in any field. Information under control in Romania is a known and inherited from times long gone. It is said that habits are difficult to correct and this is verified in terms of access to information in Romania. Determined to improve the relationship population – finance and efficiency in collaboration, Government attempts to grant remote services. It avoids meetings with taxpayers' tense economic situation uncertain, reduce communication time and avoid movements.

At first glance it seems a step forward in information, but like any "computer revolution" was received with optimism by computers skilled taxpayers and with reticence by the others.

As of December 2, 2014 Romanian taxpayer is granted access Virtual Private Area. This is an on-line, through which Romanian taxpayers can access tax information, and mail the form of assistance. Virtual Private Area, for now, an option and not an obligation, initially being available only for Bucharest, and then extending to the entire country. This is a software type character and has free RSS. This provides two-way communication channel between taxpayers and Finance Ministry.

Information desire derives from the need to attract foreign investors, who are ignorant of the first accounting and financial economic legislation in Romania.

Keywords: tax information, taxpayers, tax administration

1. Introduction

Benjamin Franklin wrote (1789) in his letter to Jean-Baptiste Leroy, according to which, in this world, death and taxes are inexorable, create a mentally-reserved image towards the public institution called revenue office or, more precisely, to The National Agency for Fiscal Administration (as known in Romania). In the spirit of reducing the abyss between the fiscal organ and taxpayers, as well as from the desire of creating a legislative transparency and a taxation promotion as a source of financing their standard of living, the taxpayers are invited to a direct communication by technological means. The collaboration is of good omen for both parts, being the confrontation point of the fiscal mentality of the government and of the taxpayers.

Thus, the fiscal deciders have the possibility of mastering the behavioral psychology of the taxpayers, their manner of perceiving legislation and their necessities and problems.

The taxpayers have the possibility of asking for detailed explanations and discussing the issues encountered in their current activity.

The Romanian taxpayers, physical entities, were constrained, until the end of 2014, to personally go to the local national agencies for fiscal administration headquarters for obtaining fiscal information or in the view of handing in some fiscal documents. Starting with December 2nd, 2014, the Romanian taxpayers have access to the Private Virtual Space. It

represents an online service, by means of which the Romanian taxpayers can have access to fiscal information, but also to an assistance form by means of e-mail.

The private virtual space, for the present, constitutes an option and not an indispensability, initially being available only in Bucharest, then expanding to the level of the entire country. Thereby, the taxpayers can continue using the classic communication means with the revenue office: directly, at the counter, by post office, over the telephone or by fax.

The access of the Private Virtual Space presumes a previous registration on the National Agency for Fiscal Administration website, thereby, the informing becoming, to some extent, restricted. This is a technological application of a RSS⁸ type and it doesn't imply any costs. Thus, the communication channel between taxpayers and the agency is ensured both ways.

A matter is certain, and namely that there is a general desire for a better informing of the business environment and for a better communication with it. This desire also derives from the necessity of drawing in the foreign investors, these being the first ones that are unacquainted with the economical-accounting and financial legislation of Romania. The more rapid access to this sort of information confers a similarity to the stability of the European Union and of the entire world, thus making possible the comparison of the economic environment of Romania to the one of the foreign countries. Also, starting with the proper informing, decisions can be made and prognosis can be expanded.

Our study attempts a thoroughness of the perception manner of the modern and technologized informing by the Romanian taxpayers, their attitude regarding the new approach of the fiscal administration, but also the advantages and disadvantages of the implementation at this point, of this new informing manner.

2. Methodology

Starting from the idea that each scientific affirmation must have a logical reliance, and the empirical observation doesn't contradict reality, in this manuscript, we intend to utilize quantitative methods (such as questionnaires). The methodology consists in the non-participating scientific observation, in inductive methods, but also in economic synthesis.

3. The informing of the Romanian taxpayers

The informational system can be organized by a rectangular informing principle, a situation in which, on all the organizational levels, the same amount and kind of information are transmitted.

The informing of the Romanian taxpayers from a fiscal and legislative point of view was made, until recently, exclusively in the standard manner, at the methodology offices organized within the county administration of the Ministry of Public Finance. Herein, the taxpayers have, thenceforth, the possibility of the oral or written addressing of the questions wedded to fiscal and legislative issues. How many of us really had knowledge of these offices of how many would go to these offices to resolves their problems in this manner?

Thus, the lending of assistance to the taxpayers, from the point of view of the National Agency for Fiscal Administration, is ensured, in the first place, by the responses given to the written requests, by e-mail or by phone. The diversification of the manner of lending assistance to the taxpayers is intended to be a more efficient impartment of the good practices of the fiscal domain.

The interlinking of the taxpayer to the state has as a result the prefiguration of his perception on the efficiency of the fiscal policy. The quality of the taxpayers-governance interaction puts

⁸ RSS- a data formats family for the content and/or frequently updated web pages summaries, along with links to the comprehensive content of the pages and other metadata.

its mark on the fiscal conscientiousness of the ones that pay, as well as on the proper functioning of the fiscal organ of any state. Thus, we can claim that, if the Ministry of Public Finance and the National Agency for Fiscal Administration are the brains of the fiscal organ, the taxpayers are the heart, and the communication channel between the two parts represents the blood that sets in motion the involved authorities. The lack of an organ or of the blood will lead to the destruction of the fiscal agency.

The manner of remote conduction by electronic means between the National Agency for Fiscal Administration and self-employed individuals, is the object of the No. 1.154 ordinance from September 1st, 2014, and takes into account the following phases:

- a) The electronic identification devices of the self-employed individuals in the electronic environment;
- b) The report of the information and certificates through the “Private virtual space” and “Fiscal newsletter”;

Practically, the granting of the remote assistance services was accomplished in two steps:

1. The establishment of the legal communication framework between the National Agency for Fiscal Administration and the taxpayers (GEO 40/2014);
2. The establishment of the communication procedure between the National Agency for Fiscal Administration and taxpayers (PFMO 1154/2014).

The registration and approval process of the registration application in the mentioned electronic environment is granted after approximately 2 days from submitting the request.

Thus, the PFMO 1154/2014 offers the possibility of accessing the new National Agency for Fiscal Administration service by self-employed individuals through 2 means of identity certification:

- a) The identification with operative digital certificates (self-employed individuals that run economic activities independently or are freelancers, for the fiscal obligations for which, in the relationship with the fiscal authority, identify themselves through the fiscal registration code);
- b) Credentials such as name/password accompanied by one-times use authentication codes (self-employed individuals that run economic activities independently or are freelancers, for different fiscal obligations than the one provided before, other self-employed individuals).

The taxpayers that identify themselves through credentials such as user/password will have to also register on the website of the National Agency for Fiscal Administration (“Self-employed individuals registration”) for the ones that use digital certificates. This option involves the completion of a secure web page (https), having more fields, such as: name, surname, Social Security Number, the type of identity card, series, the number of the ID card, the cell phone number and the e-mail address.

The approval of the registration request offers the possibility of another option: its approval to the counter or online.

The helpful links that you should remember for accessing the free service offered by the National Agency for Fiscal Administration to the Romanian taxpayers are: “Registering users in the Private virtual space”, “Instructions for registering users (PDF format)”, “Instructions for registering users (Video format)”.

The report in question is subjected to some rules imposed by the National Agency for Fiscal Administration. Thus, “The virtual private space”, which, for now, is an option, provides taxpayers with a virtual communication space regarding their fiscal status. In this space, requests, certificated or other documents regarding other information necessary to the proper functioning of theirs, inclusively the legislative ones, can be addressed. Through the “Virtual private space”, the documents afferent to the fiscal status of the taxpayer (at the request of the taxpayer or automatically) are communicated, requests such as the appliance of the

legislation, taxation decisions, notifications, subpoenas, income statements, statements, fiscal and administrative documents, enforcement documents, the registry of the electronic documents, information regarding the activities' history. The report date is the date in which the registration on the National Agency for Fiscal Administration website was made.

The responses formulated by the clerks, at the requests of the taxpayers, in maximum 3 days from formulation, must be clear, precise, brief, objective, neutral and according to the in-force legislation.

The "Virtual private space" offers the perspective of transmitting notifications through a text message (the payment of their costs) and even the Talk application (for smartphones). For the present, the information are transmitted costless on the email of the taxpayer; when registering, you can opt for an informing by text message or Talk application, but the report through these two means is still developing. E-mail addresses belonging to yahoo cannot be used.

The legislative news, the guidance of the taxpayers towards respecting the fiscal obligations, are the main object of the "Fiscal newsletter" service. The access of the "Fiscal newsletter" service is accomplished by using the "RSS" command from the Ministry of Public Finances - National Agency for Fiscal Administration server, in the electronic application or in the internet browser of the user.

4. Strengths and weaknesses in the informing of the economic environment of Romania

"The virtual private space" is an electronic channel of costless electronic communication from the taxpayers to the National Agency for Fiscal Administration, but also from the revenue office to the taxpayer.

By the new procedure that is using electronic means of remote transmission, the online informing system is facilitated, and the Ministry of Public Finances want the users to be able to find out useful information any time they desire, without needing to go to an office or waiting in line at the local methodology offices. This initiative, although it was adopted recently, seems to be a good policy, used in the majority of the European countries. Thereby, the taxpayers arrived at the methodology office are fewer, and the informing phone calls are reduced, thereby, the public servants are also relieved and can focus on the online communication with them. Being about written responses and without being interrupted by phones or direct questions, the public servants from the taxpayers' assistance and methodology office can organize their work better and find the best and the most correct solutions to the questions addressed online.

The new service offer by the National Agency for Fiscal Administration offers, in the first place, an informing on the fiscal obligation of the taxpayer at any moment of the day, without the need to go to the fiscal organizations, as well as the view of the taxation decisions afferent to the previous years (momentarily, afferent to the year of 2013).

Also, adversarial situations that could be created through direct meetings, in the case of exigent individuals and even the institution of some long term collaboration relationships are avoided. The repetitive interactions of the taxpayers with the revenue office will lead to the determination of the fiscal conformation level.

By the rules imposed by the virtual private space, a polite, professional and high quality communication, a thorough analysis of the existing problems and not lastly, a use of civility are imposed. The permanent, optimum and with positive results communication can be the starting point of the disappearance of the antagonistic climate existent in Romania, namely of the lack of the mutual trust between the two parts.

The Romanian taxpayers regard the revenue office as policemen permanently searching for delinquents for giving fines or applying penalties. Thus, the taxpayers often hesitate when

formulating a question because they fear it will be the starting point in a future fiscal investigation.

The communication of the fiscal and administrative documents through electronic means avoid the need of going to a post office for picking up the mail in question. On these lines, the caution of the taxpayers for finding out late about the fiscal and administrative documents published on the virtual private space was manifested, therefore, after the possibility of disputing them. Also, the Ministry of Public Finances reduces its mail postage expenses (2,72 lei/envelope). For now, the online reception of these documents is optional, therefore, the fear of the taxpayers is not justified (at least, for now).

Even if on SPV, payments cannot be made, the information included in the documents displayed here, such as “the bill for the obligations” facilitate their effectuation. The bill can even be printed and submitted at the treasury to whom the taxpayer is ascribed.

“The virtual private space” is provided to the taxpayers costless, it being created by the Ministry of Public Finances’ experts. Its expansion will involve an improved structure of servers, which are owned by the Ministry of Public Finances, a matter possible in the future with the aid of the World Bank.

One of the SPV disadvantages regarding the payment obligations could be the presentation of their situation from the last day of the month previous to the one in which the request was formulated. Therefore, if within the current month, flows or accessories were instituted, they will be included in the solicitation of the following month.

Nor in the case of the solicitation of the “obligations bill, the sums are not registered at the date of their effectuation, but the obligations that already exist in the balance from the Friday previous to its effectuation are included.

Another temporary (current) constraint is the impossibility of registering, in the SPV, the individuals abroad that don’t have a Romanian cell phone number.

In the conditions of an electronic environment in which the majority of the users use yahoo, due to some technical difficulties, the Ministry of Public Finances exclude the emails that belong to the yahoo domain (@yahoo.)

The accessing of the “virtual private space” from the tablet or smartphone can be a problem, given that the Ministry of Public Finances uses, for identification, digital certificated issued by various certification authorities. Many times, these are not registered in the trusted systems managed by the operating systems used by the taxpayer. Also, for accessing the SPV from the tablet or smartphone, operating systems such as Google Android or Apple IOS are needed.

Some taxpayers avoid registering in the “virtual private space”, considering it a revenue office trap for the rapid report of the payment notifications and especially, of the documents afferent to the foreclosure (subpoenas, enforcements, deductions and so on).

5. Results, discussion, perspectives

The effectiveness of the fiscal administration assumes the minimization of the fiscal costs by assuring a balance between the sometimes excessive taxation and the fiscal ability of the entrepreneur, most of the times, justified (Mates, 2009)

The current informational approach represents a modern informative system and doesn’t imply other costs (such as the one implied when going to the fiscal organization of the economic agent). The Western Region of Romanian has operations across the European Union and business is becoming more global.

West Region of Romanian has operations across the European Union and business is becoming more global. The four counties composing the region registered increase even in the period of economic and financial crisis. According to the latest statistical data, supplied by

Eurostat, West Region is one of the strongest economic region in Romania, with a GDP of 51, 5 percent of EU average (Artene et al., 2015).

By analyzing the economic environment of the western Romania in terms of our study, we notice that a great part of the taxpayers from the urban area are supporters of this informing manner, already adopting the online informing, without any additional costs. In the rural environment, the situation is different, the majority of the economic agents not knowing about this possibility. An important problem of the rural area is the lack of computers, internet and informing possibilities.

If we speak about knowledge bound to the use of the computer, the ones of the urban area don't have any kind of difficulty in the electronic informing. Regarding the rural area, the informatics knowledge leave a lot to be desired. They need the involvement of an individual with computer knowledge. Also, the implementation by the National Agency for Fiscal Administration of the new informing system is confronted with the lack of confidence of the economic agents from the rural environment. Also, the lack of technological competency within the middle aged taxpayers is noticed, a fact that represents the main impediments in the accessing of the virtual information.

The taxpayers from the western area consider that the advantage of the new informational revolution consists in saving time and reducing the costs. A small percentage doesn't consider the new system so fascinating, either as a result of the conservative conception of interpersonal reaction, either due to the fact that they felt overcome by the changes.

The urban areas from the western region prefer the online informing, it being increasingly popular. Over 65% from the economic agents of the rural areas, being, by definition, a more conservative space, preferred the classic informing variant.

In the permanently changing environment, the timely and correct informing, within an economic and legislative environment that is permanently on the move, can determine value judgments regarding the existing risks.

The IT revolution determines the change in the professional training and facilitates the activity of the Romanian taxpayers. Even if, in the beginning, this revolution wasn't regarded with trust, due to the poor education in IT, finally, this new approach was a success.

The next step in the development of the communication channel between taxpayers and revenue office could be the accomplishment of the electronic payments systems of the fiscal taxes. The example of Singapore, which uses these systems, is observable, in this case, the revenue office being perceived as efficient by 90% of the taxpayers, and the accessibility of the fiscal information is raised, as is the level of confidence.

Also, in the spirit of the participative communication of the taxpayers to the fiscal policy of the state, the accomplishment of an electronic system of collecting fraud information and their rewarding with a share from the prejudices could be taken into account. For example, in the USA, the taxpayers that expose frauds are rewarded with 30% of the recovered value. This was also instituted in our country.

Practically, the discrepancy of the adhering to the "the virtual private space" between the rural and urban areas is the result of the social level, of the cultural and human development standards. In this context, the European programs that have financed education were convenient.

Thereby, we can state that the improvement of the communication between the National Agency for Fiscal Administration and taxpayers will be the result of the diminution of the social difference, of the cooperation, of the diminution of pressure and of the increase of mutual trust.

The facility in communication offered costless to the Romanian taxpayer can determine, in the long term, by addressing the numerous problems existent in the fiscal domain, the intimation of the revenue office on the complexity of the legislation and of its numerous

modifications. The interaction of these two parts, in the economic reality, has, as a result, the fiscal policy of the state.

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