Romania: Important changes to company law in the pipeline

by *Dr. Raluca Oprișiu, LL.M. Eur. Integration, Avocat (Attorney at Law RO)*

With the highest budget deficit in the EU, Romania is implementing austerity measures across all areas. The Romanian government's second package of measures in this regard includes an extensive legislative proposal that brings significant legal and tax changes. Naturally, companies will also be affected.

We had already announced at the beginning of October (**Link**), that, among other things, changes to the equity capital regulations are planned. These regulations have now been reviewed by the Constitutional Court and declared to be largely constitutional. Only two minor points (concerning the selection of officials for the National Gaming Authority) had to be amended by Parliament. Following this amendment on November 18, 2025, it is now only a matter of days or weeks until this package of measures comes into force.

What is changing?

Share capital

There has been much discussion about the appropriate amount of share capital. Unlike in Germany, where a minimum of EUR 25,000 is required to establish a limited liability company (GmbH), in Romania it has been possible in recent years to form a company with as little as RON 1 (one). Going forward, the minimum capital requirement will be tied more closely to net sales.

- **Newly established companies** must have a minimum share capital of RON 500. Once they have achieved a net annual turnover of RON 400,000 (i.e., just under EUR 80,000), they must increase this to RON 5,000 in the following year.

- **Existing companies** are required to adjust their share capital within two years of the law coming into force. Those who act more quickly (i.e., by December 31, 2026) may be eligible for small reductions in publication fees.

Failure to meet these obligations may lead to a **court-ordered dissolution** at the request of any interested party.

Change in control

The National Tax Authority (ANAF) will also play a role in future transactions involving the sale of a controlling stake (simple majority). In addition, a tax certificate must be submitted to the commercial register for the effective transfer of majority shares. This is to ensure that indebted companies/prospective buyers settle outstanding debts to the state budget or provide adequate guarantees before a transfer takes place.

The new rules stipulate that the assignment agreement and the updated articles of association must be submitted to ANAF within 15 days of signing. ANAF will examine the company’s tax status and issue either a certificate confirming no outstanding liabilities or a request for additional guarantees.

Within 30 days of the law taking effect, the Trade Register and ANAF will issue joint standards governing their cooperation. Practice will show how transactions will be handled while a tax audit is still ongoing.

Additional provisions

Further amendments to the Companies Act 31/1990, reflecting the enhanced cooperation between the Trade Register and the tax authorities, will come into force, some as of January 1, 2027:

- Company that fail to submit their annual financial statements on time will be declared inactive and face a number of tax disadvantages (including loss of VAT registration);
- Shareholders may no longer distribute dividends while the the company is recording losses or if equity falls below the legal threshold;
- Shareholder loans may not be repaid if the company is undercapitalized.

In the event of violations of the above regulations, the company and the shareholder shall be jointly and severally liable to the Romanian tax authority.

Conclusion

The new regulations address the long-standing issue of insufficient capitalization of Romanian companies.

Businesses should prepare themselves so as not to be caught off guard. This includes reviewing their share capital and equity and expect the Romanian authorities to work more closely together in the future to prevent upcoming transactions that are detrimental to the state budget. Dormant, inactive or undercapitalized companies will be removed from the register in the near future.

We will continue to monitor the situation and report as soon as the new provisions officially enter into force.

Contact and further information:

STALFORT Legal. Tax. Audit.
Bucharest – Bistrița – Sibiu

Office Sibiu:
T.: +40 – 269 – 244 996
F: +40 – 269 – 244 997
M: sibiu@stalfort.ro
www.stalfort.ro