New tax relief measures: cancellation and refund of certain VAT liabilities

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Law 177/2026 now allows the cancellation of certain VAT liabilities and related ancillary liabilities for certain taxpayers whose VAT registration was cancelled under certain circumstances.

Who is eligible for this?

The first category comprises taxpayers whose VAT registration has been deactivated in certain cases, including when the taxpayer has been classified as tax-inactive or has not submitted VAT returns for the periods prescribed by law.

Special rules apply to agricultural cooperatives; these are not described here.

What will be cancelled?

For the taxpayers first mentioned above, the law cancels the differences in the principal tax liabilities corresponding to VAT, as well as the corresponding ancillary liabilities, insofar as these were assessed by the tax authority by means of a tax assessment notice on the basis of the circumstances that led to the deactivation of the VAT registration.

Thus, not every VAT debt is cancelled. The measure concerns those debts assessed by the tax authority in connection with the deactivation of the VAT registration, and only for the periods covered by the law.

What period is covered?

For the taxpayers covered by this article, the waiver applies to liabilities relating to tax periods between January 1, 2019 and the date the law entered into force, specifically August 27, 2026. The law also applies to similar cases in which the VAT registration was deactivated in accordance with the tax regulations in force at the relevant time.

What is not cancelled?

However, there is an important limitation. The exemption does not apply to tax liabilities relating to transactions for which the taxpayer separately stated the VAT on an invoice or equivalent document or collected it in whole or in part from its customers, provided that these amounts were assessed by the tax authority.

Therefore, the fact that a taxpayer's VAT registration has been deactivated does not automatically mean that all subsequently assessed VAT liabilities will be waived.

How is the relief granted?

The cancellation of the liabilities does not require an application by the taxpayer. The competent tax authority is obliged to cancel them ex officio by means of a cancellation notice, which is served on the taxpayer.

The law also regulates cases in which the tax authority has already issued a tax assessment notice concerning the liabilities in question, but has not yet served it before the law entered into force. In such cases, the notice will no longer be served and the liabilities will be deleted from the taxpayer's tax records on the basis of a notice reducing the tax debt.

What applies to debts that have already been paid?

Importantly, the law is not limited to liabilities that are still outstanding according to the taxpayer's tax records. If the amounts covered by the measure have already been settled by the taxpayer through payment or by one of the other methods provided for in the tax laws, they may be refunded upon application by the taxpayer.

The distinction is therefore of crucial importance: If a tax liability is still outstanding, it will be waived ex officio by the tax authority. To the extent that it has already been settled, the taxpayer must apply for a refund.

Implementation procedure

The law provides that the detailed procedure for implementing these measures must be approved by an order of the President of the National Tax Administration Agency (ANAF) within 30 days of its entry into force. This is still pending.

Conclusion

Essentially, the measure gives taxpayers affected by the law the possibility of having certain VAT liabilities arising from the deactivation of their VAT registration cancelled. For those who have already paid these amounts, the law also provides for a refund mechanism.

In particular, the relief applies only under the conditions expressly laid down by law and for the periods specified therein, while the detailed procedure is still to be established by ANAF.

Taxpayers falling within the scope of the measure should check the status of their tax liabilities and follow the procedure to be established by the tax authority.

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