



EVOLUTION OF REVENUES FROM THE VALUE ADDED TAX IN ROMANIA

**ELENA CLAUDIA SÎRBULESCU, LUMINIȚA PÎRVULESCU, ANDREA ANA FEHER, TIBERIU
IANCU**

*University of Life Sciences „King Mihai I” from Timisoara, Faculty of Management and Rural
Tourism, Romania*

Abstract: *The paper addresses the evolution of VAT revenues in Romania. The value added tax (VAT) is considered the main indirect tax in terms of the volume of receipts to the state budget, but also by the scope of application.*

Through the conducted study, the authors identified how efficient the collection is, but also the gap of the value added tax. In order for the VAT system to become efficient, the factors that can determine this must be taken into account: the characteristics of VAT (VAT rates, exemptions granted, tax base, etc.), the compliance of taxpayers, to which is added the capacity of tax administrations to manage the charging system as efficiently as possible.

• Introduction

The Value Added Tax is the indirect tax that represents the consumption tax, and is actually borne by the final consumer of goods or services. It is a general tax due to the state, levied from one country to another through different tax rates.

The objective of the work is to present the evolution of VAT receipts and the importance of value added tax, knowing that the population mostly pays this tax, which is the largest source of income from the state budget that comes from indirect taxes.

• Material and method

In the present article, the authors presented the added value and analyzed the evolution of the value added tax collections in Romania. Regarding theoretical aspects, but also the specialized literature, the changes introduced in the legislation regarding the tax based on the work.

• Results and discussions



Figure 1. Value added tax deficit in the EU, year 2021
(millions of euros)

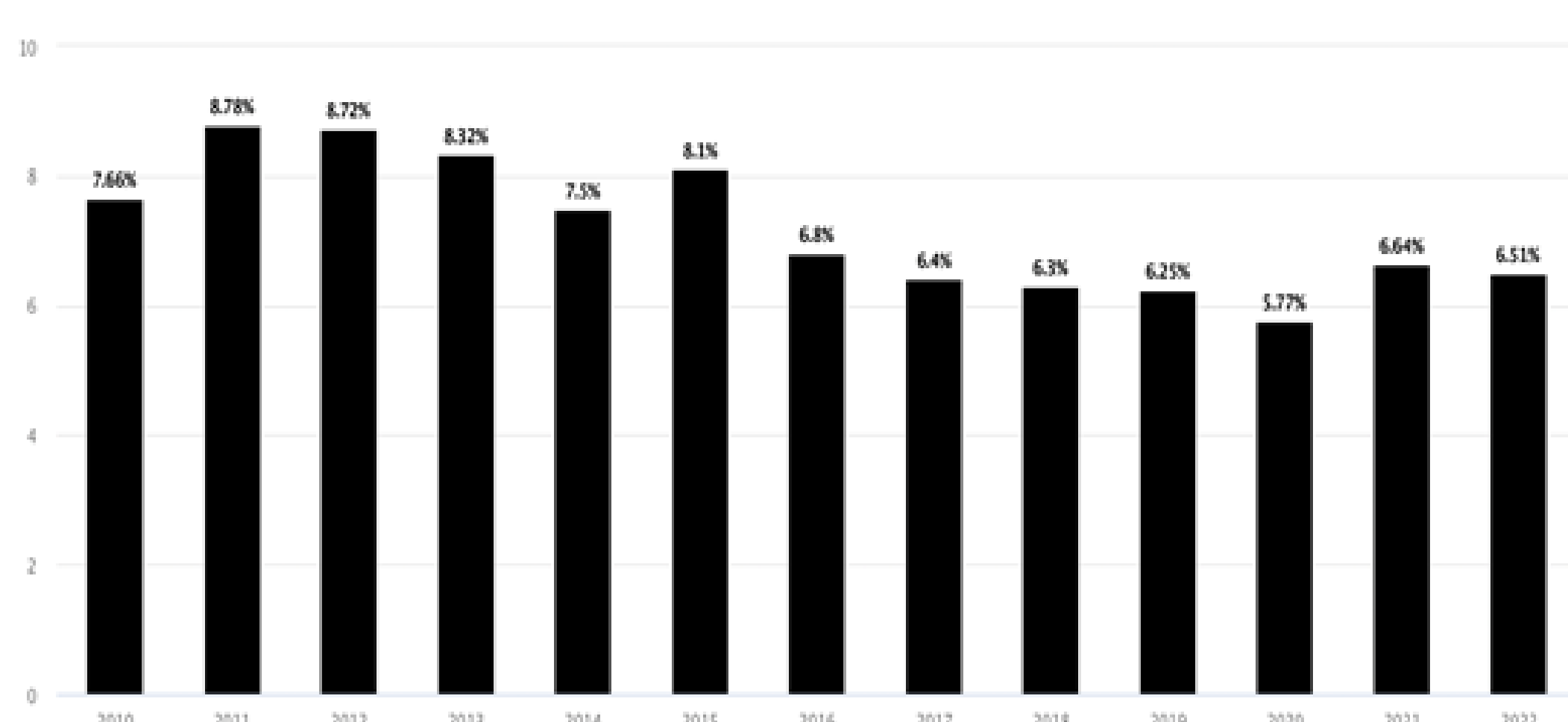


Figure 2. Public revenues from VAT, share in GDP

Table 1. The evolution of VAT collections and compensation schemes, in the period 2013-2022

Year	Initial program		Execution	
	Without compensation schemes	Swap	Without compensation schemes	Swap
2013	51.9	1.0	51.0	0.9
2014	53.77	0.85	50.41	0.47
2015	54.69	0.9	56.98	0.16
2016	51.27	1.07	51.39	0.29
2017	52.55	1.6	53.31	0.2
2018	61.1	0.2	59.4	0.2
2019	68.8	0.9	65.3	0.1
2020	71.9	0.9	60.7	0.1
2021	69.6	0.1	79.2	0.2
2022	91.6	0.1	93.9	0.2

Table 2. Budget corrections regarding VAT in the period 2013-2022
- billions of lei -

Year	Rectification 1		Rectification 2		Rectification 3	
	Without compensation schemes	Swap	Without compensation schemes	Swap	Without compensation schemes	Swap
2013	51.1	2.1	50.7	2.1		
2014	52.02	1.5	52.57	1.35	52.56	1.35
2015	54.43	0.85	55.67	1.39		
2016	52.13	1.07	52.20	0.92		
2017	52.55	0.3	52.55	0.3		
2018	60.5	0.8	58.6	0.3		
2019	68.8	0.9	65.4	0.9		
2020	66.3	0.9	62.2	0.7	62.6	0.7
2021	74.1	0.5	79.1	0.5		
2022	96.7	0.5	95.1	0.2		

• Conclusions

For the following years, the revision of the reductions of the value added tax rates and exemptions, to reduce the gap that has occurred, would determine the increase of VAT revenues and improve the overall efficiency of the tax systems. VAT tax evasion must be prioritized by investing in fraud detection resources, digitization and workforce.