



Company registration in Romania. Micro-enterprise regime

A company in Romania is an alternative to offshore companies. Company registration procedure, corporate structure, collection of necessary documents and annual administration.

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Major advantages of doing business in Romania

Attractive conditions for small businesses with annual revenue of up to EUR 250 000;
 Positive image of a European jurisdiction;
 Not on any offshore blacklists;
 Quick company registration;
 Local bank account can be opened;
 Quick and affordable creation of substance in the country of registration;
1% or 3% corporate tax (for company with annual revenue of up to EUR 250 000 and at least 1 (one) full-time employee) where the employee can also be the same as the director of the company;
 Large network of double tax treaties.

Budget for setting up business in Romania

Services	Fees (EUR)
Total cost of company incorporation with one shareholder and standard Articles of Association	3 850
Compliance fee	from 350
Payment of the minimum share capital	50
Local bank account opening	from 3 500
Registered office for the 1st year: physical office lease*	3 960
Total:	11 710

*This fee is not inclusive of physical placement of any employees in the office. However, such placement is possible; the terms, cost and format should be agreed with the consultants of GSL Law & Consulting.

Time frame for setting up business in Romania

Company registration – within 2 weeks;

Local bank account opening – from 2 weeks.

Romanian company registration procedure

Step-by-step description of incorporation of a limited liability company in Romania (RO, SOCIETATE CU RĂSPUNDERE LIMITATĂ – SRL):

1. You need to decide on:

1. Company name to be checked for its availability (at least two names), such name:

- must not be identical to the name of an existing company;
- must end with a suffix denoting the type of entity (S.R.L.);

2. Company structure (administrator, members / associates known also as share-holders); The director of the company can also be a shareholder in the same company. If the director wants also to be legally employed in Romania to meet the microenterprise requirements, not being a shareholder is a condition and must apply for a long term stay visa for other purposes (commercial management of a company). The director must be a physical person even if the director is another legal entity. Shareholders can be either physical persons or companies, Romanian or foreign ones;

3. Registered office address.

4. Share capital and distribution of shares between members (RON 200, or ~ EUR 50).

5. Activity and geography of business (indication of the main activity and also secondary activities; the headquarters of the company must be established in Romania).

2. Payment of fees

3. You need to provide documents for administrators / associates / attorneys:

- internal and international passports;
- proof of address (unless the internal passport contains an address stamp);
- if the shareholders are other legal entities, we need to collect the full corporate set*.

*Since the documents are not drafted in Romanian language, in order to be recognized they will have to be translated in Romanian by an authorized translator and after certified by a public notary. Also, a trade register business extract (in Romanian) will be requested by the Registry.

4. Payment of share capital

Showing proof of payment of the share capital during the company incorporation process is not required. However, the law requires that at least 30% of the share equity capital must be deposited into the account of the company not later than 3 months after the date of company incorporation, but before*making any operations in and on behalf of the company and the rest of the capital can be deposited within 12 months after date of company registration (if the intake is in cash) and within 2 years (if the intake is in nature with immobile goods like terrains, buildings etc).

The amount in cash can be withdrawn after the company has been incorporated and registered.

*This means that the company must deposit 30% of the share equity capital (even before those 3 months) if there is needed to do any kind of operation in and on behalf of the company. If the company is just wanted to be incorporated and registered, but there is expected to be 0 effective activity then the deposit of 30% can wait up to 3 months.

5. Preparing a package of documents for company registration, having the documents signed by directors and members.

To prepare the constitutive documents, it is necessary to provide the following:

- Proof of the company name reservation availability confirmed by the Trade Register (valid 1 month);
- 2 forms which signed by the director of the company;
- Transfer of the company name agreement;
- Constitutive document (Act Constitutiv) signed by all the associates(members / shareholders);
- Declaration of compliance by administrator and members;
- Proof of company having an office to conduct business (lease agreement);
- Declaration stating the company's business activities;
- Real beneficiary declaration duly signed;
- Due Diligence documents: administration contract, questionnaire, AML declaration.

If a member of the company is a legal entity, then additional documents will be necessary to disclose the entity's structure and individuals within it:

- Extract from the trade register specifying the entity's structure;
- Resolution of the shareholders in order to form a subsidiary / branch in Romania;
- Power of attorney authorizing to sign the constitutive documents and make necessary filings;
- Reference letter from a bank where the entity holds an account.

Company registration documents in Romania are filed in the Romanian language only. The fees for translation, notarization, legalization and apostille are charged additionally.

6. Filing a company registration application with the Trade Register.

After receiving and successfully processing the application, the Registry issues a Certificate of Incorporation (Certificat de inregistrare), Certificates regarding enabled activities (Certificat Constatator) and a Resolution (Rezolutie) regarding the status of the approved company.

The overall time to register a Romanian company is 2 weeks, on average.

Structure

Administrator (Director)

The affairs of a limited liability company in Romania are managed by the administrator which is the director of the company. The shareholders are the ones who take decisions regarding the company, but the director is going to execute them.

The director is able to represent the company in front of anyone else including authorities and institutions (Romanian or foreign ones). Only the director of the company is able to sign documents in and on behalf of the company which will bear their signature.

Documents signed in and on behalf of the company by a third-party / person which does not own the quality are considered nulled and are able to be revoked by the actual director and at express request of the director, that person might be even asked in justice to cover all the prejudices done to the company.

However, the director can legally empower other persons to represent the company and sign documents on his behalf through a power-of-attorney, but this aspect, according to provisions of art. 71 from Law of companies 31/1990 updated; shall be mandatory mentioned right from the beginning and expressly included in the Articles of Incorporation.

According to provisions of art.1913 al. (2), Civil Code of Romanian, administrators can be shareholders (or not), physical or even legal entities (including other companies) either they are Romanian or foreigners, but even in this last case, a physical person which is representing that legal entity is still required to be named as director and it requires a more complicated procedure, but it is still possible.

The minimum number of administrators is 1. The same individual can be both administrator and shareholder (associate). After there are over 15 shareholders, naming a financial auditory is mandatory.

Members / Associates

The minimum number of shareholders / associates in a company is 1; they can be individuals or legal entities; there are no statutory requirements as to their residency. The maximum number of members is 50.

Share capital

The minimum share capital is RON 200 (~ EUR 50) divided into shares of min. RON 10 (~ EUR 3) each. It must be paid up by the time of filing the company for registration.

Registered office

Every company in Romania must have a registered office in the country of incorporation. We also assist with setting up an office and establishing substance in Romania.

Micro-enterprise regime. Can a micro-enterprise be regarded an “EU offshore”?

Romania has the most attractive tax regime for small businesses in the EU.

A company is regarded a micro-enterprise if it meets certain criteria. The corporate tax rate will be:

1% for micro enterprises with annual proceeds not exceeding EUR 60 000 that do not conduct business in the below fields;

3% for micro enterprises that have annual proceeds of over EUR 60 000 or conduct business in the following fields: software development, IT services, hotel and restaurant business, medical and some other services.

However, according to the latest changes, the turnover threshold within which the micro-enterprise regime may be applied decreases:

- from EUR 500 000 to EUR 250 000 on 1 January 2025;
- from EUR 250 000 to EUR 100 000 on 1 January 2026.

Currently, micro enterprises are companies that meet the following criteria:

- have at least 1 staff member;
- have turnover of under EUR 250 000 (under EUR 100 000 from 1 January 2026);
- have shareholders that hold over 25% of the total share capital or voting rights, and the company is the only micro enterprise established by these shareholders (earlier shareholders could own 3 micro enterprises at most);
- have other sources of income, besides management and consulting, that make up over 80% of the total income.

To identify the company's tax burden, we recommend seeking tax advice only from an authorized expert accountant (which can be arranged upon request).

Fees*

Services	Fees (EUR)**
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Company registration in Romania and 1st year of administration

Total cost of a limited liability company incorporation with one shareholder and standard Articles of Association (including preparation and provision of original constitutive documents and a company seal; excluding compliance fee)	3 850
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Minimum share capital	50
Local bank account opening	from 3 500
Registered office for the 1st year: physical office lease***	3 960
Preparing and filing financial statements	100 – 400 / hour (depending on time spent)

Annual renewal of the company

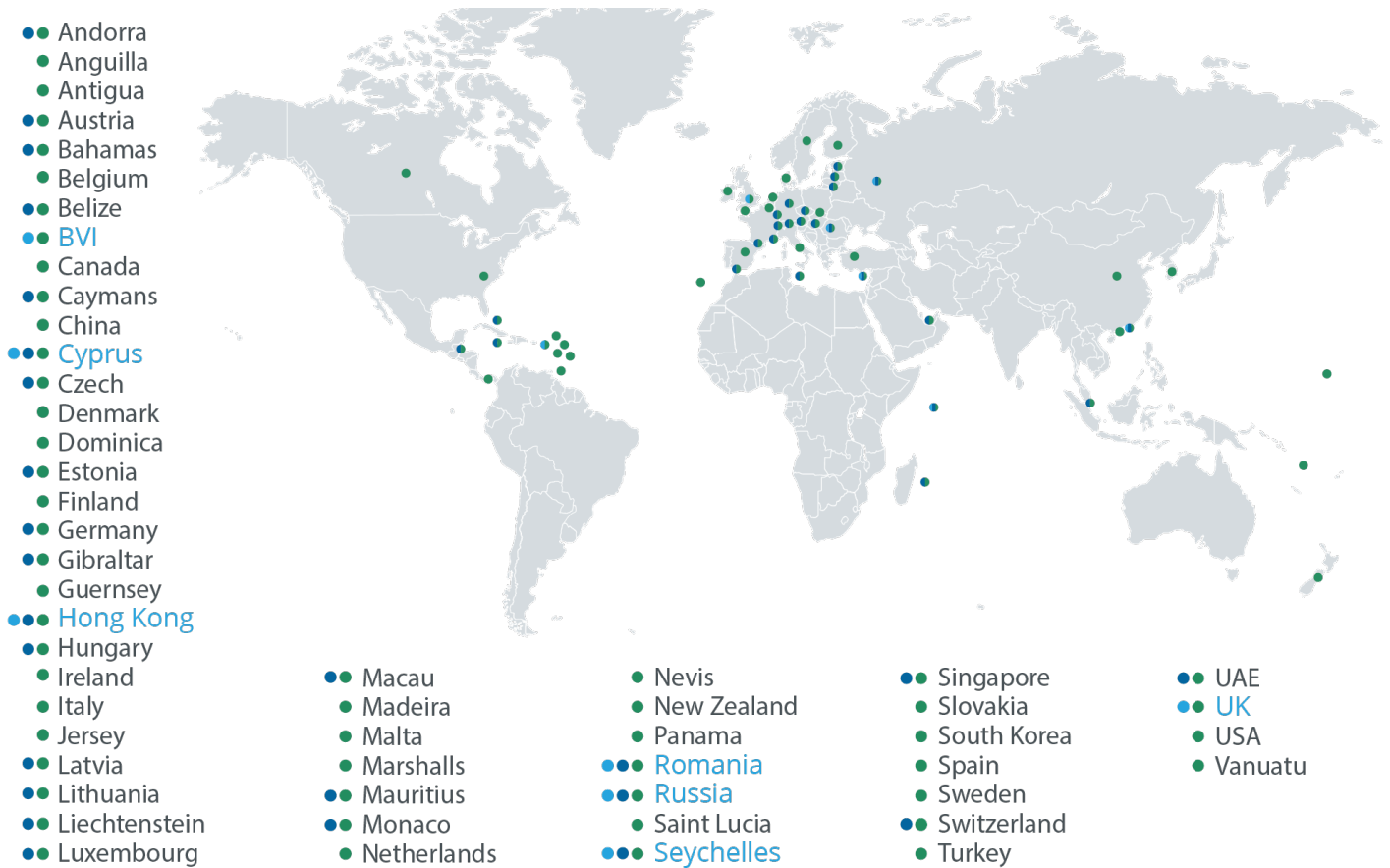
Annual renewal of the company (including registered office for a year: physical office lease**; excluding compliance fee)	5 090
<p>Compliance fee</p> <p>Payable in the cases of:</p> <ul style="list-style-type: none"> - incorporation of a company, - renewal of a company, - liquidation of a company, - transfer out of a company, - issue of a power of attorney to a new attorney, - change of director / shareholder / beneficial owner, except the change to a nominee director / shareholder, - signing of documents. 	<p>350 (standard rate – includes the check of 1 individual)</p> <p>+ 150 for each additional individual (director, shareholder, or beneficial owner) or legal entity (director or shareholder) if such legal entity is administered by GSL</p> <p>+ 200 for each additional legal entity (director or shareholder) if such legal entity is not administered by GSL</p> <p>450 (rate for High Risk companies, including the check of 1 individual)</p> <p>100 (signing of documents)</p>
Preparing and filing financial statements	100 – 400 / hour (depending on time spent)

*The service fees are effective as of January 2025.

**The fees do not include 19% VAT, which may arise under certain conditions. Please refer to the consultants of GSL Law & Consulting for details.

***This fee is not inclusive of physical placement of any employees in the office. However, such placement is possible; the terms, cost and format should be agreed with the consultants of GSL Law & Consulting.

Global presence



● GSL offices ● Banks and payment systems where GSL opens accounts ● Jurisdictions where GSL registers companies

Key facts

50+

jurisdictions where GSL registers companies

120+

banks and EMI where GSL opens accounts

7

countries in which GSL offices are open

20+

years in business

170+

employees work at GSL

16

languages spoken by GSL employees