

CAREER GUIDANCE CENTER FOR RESEARCHERS COACH – NORTH EAST REGION ROMANIA

GUIDANCE FOR ESTABLISHING TAX RESIDENCE FOR FOREIGN RESEARCHERS

I. Introduction

This GUIDE addresses foreign researchers involved in research activities in Romania, non-resident individuals who need to have their income earned in Romania taxed through a simple procedure that involves, in the first stage, establishing tax residence.

What is tax residence?

Tax residence is determined by the country where a person usually resides or where they have spent a significant period of the year, specifically 183 days (over 6 months).

Why is establishing tax residence important?

Because the entire taxation mechanism starts from here. If a person's tax residence is correctly established in the country where they work, double taxation can be avoided, and taxes will be paid only in one place (where the place of work and residence is), which can lead to significant savings and avoidance of other tax-related issues.

Establishing tax residence is mandatory and is based on certain criteria considered by tax authorities, such as the length of stay, the center of vital interests, the place of professional activity, and domicile.

II. Criteria for establishing tax residence for individuals, according to the Organization for Economic Co-operation and Development (OECD) Model Tax Convention on Income and on Capital

If an individual is considered a resident in both Romania and a state that is a signatory to the Double Taxation Avoidance Convention, the individual's residence is established as follows:

1. The individual is considered a resident only in the state where they have their domicile, i.e., their permanent home at their disposal. A home is considered permanent if:

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- a. it is the individual's personal property;
 - b. it is rented by the individual;
 - c. it can be used at any time by the individual and/or their family.
2. If the individual owns a permanent home available to them in both states, they are considered a resident only in the state where they have their **center of vital interests**, i.e., the state with which their economic and life relations are closer. If an individual who owns a home in a state that is a signatory to a Double Taxation Avoidance Convention with Romania also owns a home in Romania and retains the first one, the fact that they retain the first home may (along with other factors) demonstrate that the individual has retained their center of vital interests in the other state, and not in Romania. **The center of vital interests** refers to the place where the individual's most frequent and closest personal and economic relationships take place. In analyzing personal relationships, attention will be paid to the family: spouse, children, individuals supported by the individual who arrive in Romania together with them, membership in charitable or religious organizations, participation in cultural or other activities. In analyzing economic relationships, attention will be paid to the individual's employee status, considering:
 - a. their status as an employee of a Romanian employer;
 - b. involvement in business activities in Romania;
 - c. ownership of real estate in Romania;
 - d. holding accounts, credit/debit cards at banks in Romania.
3. If it cannot be determined in which state the person has their center of vital interests, or if the person does not own a permanent residence available to them in either state, it is considered that they are a resident of the state where they frequently reside. Therefore, the stays the person has in the same state will be taken into account;
4. If the person lives regularly, with approximately the same frequency, in both states, or does not live in either of them, it will be considered that the person is a resident of the state of which they have nationality/citizenship.
5. If the person holds the nationality/citizenship of both states, or does not hold the nationality/citizenship of either of them, the competent authorities of the contracting states will resolve this issue amicably, according to the "Mutual Agreement Procedure" article of the Double Taxation Avoidance Convention. Any change that occurs, which may affect residency, must be communicated to the competent central tax authority by the individual concerned.

III. Administrative and financial procedures for establishing tax residence for foreign researchers wishing to be involved in research in Romania

III. A. Procedures for the researcher domiciled in a EU member state

1. **To be employed** in a research project as a lead researcher holding a doctoral degree or a graduate of higher education programs enabling access to research or postdoctoral research obtained abroad, the evaluation of the level of the degree

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certificate, field of study, and specialization in relation to the Romanian education system must be obtained. To this end, the foreign-issued degree certificate must be submitted to the Ministry of Education in Romania, CNRED. Obtaining the equivalence of diplomas is necessary at the time of employment in the research project for the classification in the position corresponding to the level of studies and specializations held. The documents required for the recognition of higher education qualifications for access to the labor market in Romania for diplomas issued in Romanian, English, French, Spanish, or Italian languages can be submitted [online](#).

More details and the full procedure for the recognition of studies

2. After obtaining recognition and equivalence of the foreign-acquired educational certificate, the dossier containing the necessary documents for employment in a research project will be sent to a university or another research and development institution (INCD) in the Central Region. Employment will be realized through the signing of an employment contract between the researcher and the university/research institution.
3. After employment and obtaining the residence permit, one can request the opening of a bank account in Romania where the amounts corresponding to salary or author rights will be transferred.

After entering Romania, it is necessary to apply for a **residence permit**. This document certifies the right to reside in Romania. To obtain the residence permit, a series of documents will need to be **personally** submitted to the territorial units of the *General Inspectorate for Immigration* in the county where you will reside.

**The application can also be submitted online,
via <https://portaligi.mai.gov.ro/portaligi/>.**

Submitting the application and the necessary documents online does not constitute the official submission of documents. The legal processing period for the application starts from the date of presentation at the counter, for the purpose of registering the application and, if applicable, collecting biometric data. Upon registration of the application and submission of documents to the territorial unit of the *General Inspectorate for Immigration*, depending on your specific situation, additional documents may be requested compared to those submitted online.

The residence permit is a necessary document and contains a 13-digit number that serves as a personal identification number (PIN – CNP, in Romanian).

**For more information, please visit:
<https://igi.mai.gov.ro/en/citizens-of-eu-eea/>.**

III.B. Procedures for researchers from a non-EU country

1. **Researchers residing in a non-EU state** who intend to carry out research and development activities in a research unit for more than 90 days must obtain a **Hosting Agreement**. The Hosting Agreement specifies the legal relationship between the research and development unit and the researcher, with the researcher's working conditions being subsequently established by the parties, considering the provisions of the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers. Details in Article (4) of Order no. 1006/5.12.2018 (see Bibliography).
2. To obtain approval for the hosting agreement, the authorized research and development unit submits the hosting agreement to the registry of the Ministry of Research and Innovation in three copies, all of which are considered original. The Ministry of Research and Innovation's approval will be granted on the "Hosting Agreement" form, within a maximum period of 30 days from the request of the authorized research and development units.
3. The Ministry of Research and Innovation will send two copies of the fully signed Agreement to the authorized research and development unit. The research and development unit can then send the approved document to the researcher via email, who can use it to obtain the necessary research visa.
4. After obtaining the hosting agreement, it is necessary to obtain the long-stay visa for scientific research activities from the diplomatic missions and consular offices of Romania. Documents required for obtaining the long-stay visa for scientific research activities:
 - a. Hosting Agreement endorsed by the Ministry of Research and Innovation;
 - b. Certificate of criminal record or other document with equivalent legal value, issued by the authorities of the country of domicile or residence;
 - c. Valid medical insurance for the duration of the visa validity.

For more information, please visit: https://eviza.mae.ro/ro_SupportingDocuments.

Obtaining the long-stay visa for scientific research activities is necessary for finalizing the employment contract.

- a) A foreign researcher residing outside the European Union, holder of a doctoral degree or of higher education qualifications enabling access to research programs or postdoctoral research obtained abroad, must obtain an assessment of the level of the educational certificate they hold, the field of study, and specialization, in relation to the education system in Romania. To this end, the educational certificate obtained abroad must be submitted to the Ministry of Education in Romania, CNRED.

For more information, please visit:

<https://cnred.edu.ro/en/recognition-of-higher-education-study-documents-for-third-countries-citizens-to-facilitate-the-access-to-labour-market-in-Romania/>

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- b) For a foreign researcher residing outside the European Union who wishes to apply for a doctoral study program in Romania, the procedure for obtaining recognition of studies and enrollment as a foreign citizen will be different. Universities offering access to these studies establish an online registration period and send candidates' dossiers to the Ministry of Education for verification and issuance of the Letter of Acceptance.
- c) Foreign researchers residing in a non-EU country who have obtained, as applicable, the Hosting Agreement, the long-stay visa for scientific research activities, the Letter of Acceptance, the Certificate of Recognition of Studies from CNRED, and the Certificate of PhD, can submit a personal documents dossier to the employing research and development unit for the purpose of concluding the employment contract.
- d) After entering Romania, it is necessary to obtain a **residence permit**. The final administrative step is to submit an official residence permit application to the *General Inspectorate for Immigration*. The application must be submitted **in person**, and the residence permit is important as it contains a 13-digit number that will serve as a personal identification number (PIN/CNP, in Romanian). With the issued residence permit, the EU researcher can apply for a bank account in Romania and thus receive a salary.

For more information, please visit: <https://igi.mai.gov.ro/en/scientific-research/>

All categories of researchers, regardless of their country of origin or residence before relocating to Romania and who will earn taxable income in Romania, **are required to obtain the tax identification number** (NIF, in Romanian).

Researchers who choose to work online or for whom physical presence in the country is not mandatory to conduct their research in projects will request the Tax Registration Number (NIF) from the National Agency for Fiscal Administration (ANAF, in Romanian).

IV. Tax Registration Number (NIF)

In Romania, any individual who owes taxes to the Romanian state must be identifiable based on a taxpayer identification number (NIF).

The taxpayer identification number (NIF) is a numeric code used for declaring tax obligations to the authorities.

Foreign citizens who earn income subject to withholding tax are required to obtain the NIF. To obtain it, they must submit the **Tax Registration Declaration – Form 030**, within a maximum of 30 days from obtaining the first income.

To obtain the NIF, you can either personally visit the ANAF office or authorize a Romanian citizen to represent you in dealings with the authorities.

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To obtain the NIF, you first need to complete Form 030 for tax registration for individuals who do not have a personal numeric code. The form can be found on the official **ANAF** website, both in [Romanian](#) and [English](#), with detailed instructions for completion.

In addition to this declaration, the following documents must also be submitted:

- Copy of the national identity document or passport, as applicable;
- Document indicating the reason for requesting the issuance of the NIF, such as a copy of the employment contract concluded in the research project.
- Notarized power of attorney in original and copy of ID card, in case the documents are submitted by a Romanian representative.

The declaration can be submitted either in person or through an authorized representative, in physical format, to the tax authority or by post, via registered mail. Additionally, the declaration can also be submitted online. The declaration must be completed only once, upon obtaining the first income, the first tax registration.

The NIF is obtained within 30 days from the submission of documents to ANAF. An urgent request can also be submitted if necessary.

EU researchers residing in one of the member states and who can conduct their research online or without the need for physical presence in Romania are required to request a Tax Registration Number (NIF) from the National Agency for Fiscal Administration (ANAF).

For more information, please visit: <https://www.anaf.ro/asistpublic/>

IMPORTANT:

According to the provisions of **Regulation (EU) 2016/679** on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (**General Data Protection Regulation – GDPR**), you have the right to access, rectify, erase personal data, the right to restriction of processing, the right to object to processing, the right to withdraw consent at any time, as well as the right to lodge a complaint with the National Authority for the Supervision of Personal Data Processing.

For more information, please contact us at: office.coach@usv.ro

**All services provided by the COACH Centre
regarding the establishment of fiscal residency are free of charge.**

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- Ordonanța de urgență nr. 194 din 12 decembrie 2002 *privind regimul străinilor în România cu completările și modificările ulterioare*
- Hotărârea Guvernului nr. 898 din 7 septembrie 2011 *privind stabilirea formei și conținutului permiselor de ședere, a documentelor de călătorie și a altor documente eliberate străinilor*
- Guide to the Tax Residence of Individuals (EN)
– https://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Ghid_rezidenta_2023_EN.pdf

Useful links:

- https://bit.ly/ANAF_FiscalForms (EN)
- <https://cnred.edu.ro/ro/recunoasterea-documente-de-studii-invatamintului-superior-pentru-cetateni-tari-terte-pentru-facilitarea-accesul-pe-piata-muncii-din-Romania>
- <https://cnred.edu.ro/studii-universitare/>
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