

New Law on foreigners in the Republic of Moldova adopted

New rules on bank secrecy

Changes to labor law

List of professions for which a 12 hour working day is allowed has been broadened

Changes to accounting and calculation of depreciation of fixed assets for tax purposes

New standard forms confirming residency and income tax payment by non-residents in Moldova adopted

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New Law on foreigners in the Republic of Moldova adopted

This law regulates the entry and exit to and from Moldova of foreigners, as well as the granting and extension of residence permits, and repatriation. It also provides for enforcement measures in cases of non-compliance with the immigration regime and special measures on accounting for migration in accordance with the undertakings assumed by Moldova according to international treaties.

The law will become effective from 25 December 2010. From the same date the previous law on migration (Nr. 518-XV of 6 December 2002) will be revoked.

New rules on bank secrecy

The cases in which banks can be required to supply information subject to banking secrecy rules have been defined.

Under the new rules, police, the Prosecutor's Office and the Center for Fighting Corruption are only entitled to request and receive

information constituting commercial and bank secrecy within a defined criminal investigation and on the order of a criminal law judge. The Center for Fighting Corruption also has the right to request such information using the special powers it has been granted under legislation on the prevention of money laundering and on combating the financing of terrorism.

Changes to labor law

A number of changes have been made:

Paid leave for the first year of service may now also be granted to employees before the end of their first six months of service.

An employee hired on a fixed term labor contract is entitled to resign at any time before the contract expires by notifying his or her employer.

The list of permitted reasons for dismissal of pregnant women, women with children below six years old and persons on leave has

been broadened. These now include:

- Liquidation of the employer;
- Regular failure to perform duties by the employee without valid excuse;
- Absence without valid excuse;
- Appearance at work in a state of intoxication;
- Committing theft at the place of work;
- Acting irresponsibly with money or material valuables, if such actions are reasonable grounds for the employer to lose confidence in the employee.

The period within which the employee may file a legal claim has been decreased from 1 year to 3 months.

The list of professions for which a 12 hour working day is allowed has been broadened

This list has been extended to include 25 positions, including shift man, dispatcher, electrician, laboratory assistant, and machine operator.

Changes to accounting and calculation of depreciation of fixed assets for tax purposes

The indicator used for the calculation of the value basis of assets at period end in the case of disposal of cars has been defined as the net book value of the cars, calculated based on the cost at which they were included in the corresponding category of property.

The limit for expenses for repairs to tangible fixed assets has been corrected to match the provisions of the Tax Code.

New standard forms confirming residency and income tax payment by non-residents in Moldova have been adopted

The tax authorities must issue a certificate confirming the tax residency of the taxpayer within 3 business days of the submission of the relevant request.

The use of documents in Russian is permitted for contracts which confirm that income has been obtained outside Moldova. It is also permitted for other supporting documents confirming tax residency, as well as for documents which confirm that income has been obtained abroad and that this income has been taxed.

Certificates confirming the payment of income tax in Moldova for non-resident individuals and legal entities must be issued by the tax authorities within 30 days from the date of the request to issue them.

This information is based on the provisions of Laws Nr.200 of 16 July 2010, Nr.195 of 15 July 2010, and Nr.168 of 9 July 2010 as well as of Collective Agreement Nr.10 of 10 August 2010, and Government Decrees Nr.837 of 14 September 2010 and Nr.801 of 6 September 2010.

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