

CCR: Law on new system of taxation of service pensions ruled as unconstitutional (sources)

The Constitutional Court ruled on Tuesday that the Law on the new system of taxation of service pensions, which provides for the taxation of 85% of pensions exceeding the amount of 7,000 lei, is unconstitutional, said sources from CCR.

On June 17, the Chamber of Deputies voted to amend and supplement Law 227/2015 on the Fiscal Code, which has as object of regulation the establishment of an income tax and allowances for the age limit.

According to an amendment, pensions with a value of up to 2,000 lei included are not taxed, those between 2,000 and 7,000 are taxed with 10%, and pensions over 7,001 lei are taxed with 85% of the exceeding amount.

The amendment voted by the Chamber of Deputies was appealed to the Constitutional Court by the High Court of Cassation and Justice and the Ombudsman.