

Moldova's fiscal policy for 2027 - submitted for public consultation: simpler, more competitive, easier-to-administer tax system



The draft fiscal policy for 2027 today was published for public consultation. The objective of the new fiscal policy is for every working citizen to earn more and for every entrepreneur to be able to invest more in the country's economic development.

The document lays the foundation for a simpler, more convenient tax system, with fewer taxes, more competitive and easier to administer. The burden on the competitiveness of domestic companies will be lower and the potential for tax evasion will be reduced.

The main proposed measures include:

Reducing the number of existing tax regimes and lowering the tax burden on wages. In the first stage, the personal income tax rate is reduced from 12 to 7 per cent for annual incomes below 1 million lei and becomes 15 per cent for those with annual incomes above 1 million lei.

Legal employment will be supported: The personal allowance will be transformed into a direct monthly payment of up to 500 lei (an increase of at least 200 lei/month) for all those who work legally and have minor children.

Applying a zero rate to reinvested (undistributed) profit, while the income tax rate at the time of distribution becomes 15 per cent, thus encouraging investment in economic development.

Standardized and quickly refunded value added tax (VAT): The standard rate remains 20 per cent, but exemptions are removed, which will facilitate monthly, full and automated refunds of accumulated VAT.

Refunding excise duty for diesel fuel used in agriculture, from the effective rate gradually increasing up to the minimum allowed in the EU, in order to stimulate competitiveness. At the same time, new excise duties are introduced on vices or polluting activities, such as liquids for electronic cigarettes, carbonated drinks with

sugar or sweeteners, as well as fireworks.

Eliminating sectoral limitations for the freelance regime: the possibility of independent entrepreneurship (freelancing) is extended to any economic activities, with a 15-per cent tax rate for incomes up to 1 million lei and 30 per cent for incomes above 1 million lei.

Capping local taxes that entail risks of abuse: property tax is capped at 1 per cent of the value of the asset and local turnover-based taxes applied to companies are capped at 3 per cent.

By not taxing reinvested profit, standardizing VAT and eliminating unjustified tax facilities, investments will be encouraged and tax evasion and inequities will be reduced. The new provisions are expected to reduce the budget deficit by about 6 billion lei in 2027, thereby lowering the future burden on all citizens. The collection of additional budget revenues must not affect the most vulnerable population and the additional measures will ensure that everyone who works will earn more.

“We aim for a simpler system – whatever is simpler usually works better – a fairer, more transparent system that stimulates work and investment. We will consult with the business community, with non-governmental organizations, and we are consulting with the International Monetary Fund, which agrees with the approach of the Finance Ministry,” emphasized Prime Minister Alexandru Munteanu.

The draft will be subject to public consultation until 19 June 2026. The proposals and recommendations of interested sides will be examined and taken into account in the process of finalizing the document.

The 2027 fiscal policy is to be implemented in three stages: October 2026 – food products, public catering, eCommerce; January 2027 – medicines, cars, accommodation; April 2027 – energy resources. The new Fiscal Code is to be drafted during 2026–2027 and is expected to be promoted in 2028.

