

ANALYSIS OF THE DRAFT FISCAL AND CUSTOMS POLICY FOR 2027: INDIVIDUALS AND SALARY TAXATION

At the request of several citizens, entrepreneurs and employees who expressed concern regarding the changes proposed under the Fiscal and Customs Policy for 2027, the Civic Movement “Building Trust” has prepared and publishes this legal and fiscal analysis.

The purpose of this document is to contribute to a clearer understanding of the potential effects of the reform on household income, the business environment and the real economy, as well as to identify the aspects that require additional clarification before the proposed amendments are adopted.

We believe that any fiscal reform of such scale must be accompanied by clear explanations, accessible simulations for citizens and credible impact assessments, so that every person can understand not only the objectives of the reform, but also its concrete consequences for their own budget and for the national economy.

Architecture of the Reform

For individuals, the draft combines four changes: reducing the basic income tax rate to 7%; introducing a 15% rate for the part of annual taxable income exceeding MDL 1,000,000; transferring the 21% social security contribution to the employee; and abolishing personal and dependent exemptions, replacing them with capped incentives.

Element	Current regime — 2026	Draft — 2027
Social security contribution borne by the employee	0%	21%
Standard social security contribution borne separately by the employer	24%	In principle, 0% for normal working conditions; additional contributions remain for the special cases provided by law
CNAM health insurance contribution withheld from the employee	9%	9%
Income tax — basic rate	12% of the reduced tax base	7% of the taxable base
Annual rate for high income	No separate bracket exists	15% for the part exceeding MDL 1,000,000 per year
Standard personal exemption	MDL 29,700/year, under the conditions provided by law	Abolished
Ordinary exemption for a dependent person	MDL 9,900/year	Abolished
Personal incentive	Does not exist in this form	Up to MDL 500/month

Incentive for a minor child	Does not exist in this form	Up to MDL 200/month/child
Cap on incentives	—	Cannot exceed the income tax actually paid

Basic Example: Current Gross Salary of MDL 10,000

Current Regime

Calculation	Amount
Gross salary	MDL 10,000
CNAM: 9%	MDL 900
Monthly personal exemption	MDL 2,475
Income tax base	MDL 6,625
Income tax: 12%	MDL 795
Net salary	MDL 8,305
CNAS paid separately by the employer: 24%	MDL 2,400
Total cost for the employer	MDL 12,400

The employee receives MDL 8,305, while the employer bears a total cost of MDL 12,400.

Draft Regime, If the Gross Salary Remains MDL 10,000

Calculation	Amount
Gross salary	MDL 10,000
Employee CNAS: 21%	MDL 2,100
Employee CNAM: 9%	MDL 900
Income tax withheld: 7%	MDL 700
Net salary before incentive	MDL 6,300
Possible personal incentive	up to MDL 500
Disposable income after incentive	up to MDL 6,800
Difference compared with the current net salary	-MDL 1,505

CONCLUSION

If the employer keeps the gross salary unchanged, the transfer of the social security contribution to the employee leads to a substantial reduction in net salary. This decrease is not offset by the reduction of the income tax rate and the maximum personal incentive.

Guarantee of Maintaining the Net Salary

The draft contains a transitional rule under which legal entity employers must ensure a net salary that cannot be lower than the amount calculated and granted before the reform enters into force. The purpose is to protect the employee against the formal transfer of the social security contribution. The rule is justified, but its current wording leaves several important issues open.

Issue	Required clarification
Reference period	It is unclear whether the comparison refers to the last month of 2026, the average of a certain period, the contractual salary or the income actually paid.
Variable income	Bonuses, premiums, overtime, leave payments and part-time work may make the comparison unstable.
New employees	There is no historical net salary for persons employed after the reform enters into force.
Duration of the guarantee	It is not specified whether the obligation is temporary or permanent and under what conditions it ceases to apply.
Scope of employers	The wording refers to legal entity employers; the budgetary sector and individual employers must be clarified.
Modification of employment contracts	The increase of the gross salary and the new remuneration structure may require addenda and uniform rules.
Control and sanctions	The competent authority, required documents, complaint procedure and sanction for salary reduction must be established.
Payments related to previous periods	Salaries, bonuses and leave payments related to 2026 but paid in 2027 require transitional rules.

Conclusion

The amendments proposed under the Fiscal and Customs Policy for 2027 represent one of the most important reforms of the taxation system in recent years and will have direct effects on employees, employers, the public budget and the national economy.

Given the complexity and scale of the proposed changes, we believe that their adoption must be preceded by genuine public consultations, detailed impact assessments and clarification of all aspects that may generate legal or fiscal uncertainty.

Taxpayers' trust in the fiscal system cannot be built solely by changing tax rates. It is based on predictability, transparency, fairness and the authorities' ability to clearly explain the effects of the reforms they promote.

The Civic Movement "Building Trust" will continue to monitor the consultation process and contribute to the public debate through analyses and proposals formulated in the interest of citizens, the business environment and the sustainable development of the Republic of Moldova.