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**The Law of sponsorship
(Summary translation)**

Art. 1–(1) Sponsorship is the activity based on a contract between two persons that decide to transfer the right to property for goods, financial means and term of contract.

(2) existence and contents of sponsorship contract is proved in written form of this in which will be specified object of the contact, value, terms and obligation of parties.

(3) In regarding the present law, patronage is an action in which one legal or natural person named patron transfers without duty of consideration direct or indirect, writs of property to natural person as philanthropic activity with humanitarian character, for carrying out same activity in domain of cultural, artistic, medical or scientific.

(4) Existence and contents of patronage of contract patron is provided by the notarized form in which the object, terms and value are mentioned.

(5) In the case that the sponsorship consists of goods, their value will be determined on the moment of delivery to beneficiary.

Art. 2 Any natural or legal person from Romania, or foreigner who performs sponsorship in legal condition is consider sponsor.

Art. 3 Romanian citizen, whether a natural or legal person, can not accomplish sponsorship using money from the state budget.

Art. 4 Beneficiary of sponsorship can be:

- a) Any non-profit legal person with seat in Romania, that carries out or will carry out activity in the domains of: cultural, artistic, educational, scientific, humanitarian, philanthropic, religious, sportive or which provides protection of human rights, protection of the environment
- b) Institution and public authority including the organs of public administration, for activity provide in point a)
- c) Radio and TV emisions or programs, books and poblications also can be sponsored.
- d) Any natural person whose activity is provide in point a) is recognized by the non-profit legal person that is constantly active in this area.

(2) Beneficiary or patron can be any natural person, without duty to be recognized by the non-profit legal person or by the public institution, which need aid in area provide in art 1(3)

Art. 5 (1) Sponsor or beneficiary can bring to public knowledge sponsorship throughout promoting his / her name, mark or image.

(2) It is the duty of the sponsor or beneficiary to make known its sponsorship to the public in a way that does not restrict the activity that is sponsored;

(3) The name of news publications, books, radio or TV emissions that are sponsored has to be announced;

(4) Announcement will be formulated clearly, so it is understood what the sponsored activity is, and will be produced for free;

(5) It is forbidden in sponsored operations for the beneficiary or sponsor to advertise in order to benefit the sponsor or other persons.

Art. 6 The facility provided by the present law are not accorded in case:

a) Reciprocal sponsorship, between natural persons;

b) Sponsorship by the relatives or affine until 4th generation.

c) Sponsored a legal non-profit person by the other legal person that are directing and checking the activity of beneficiary.

Art. 7 The provisions of art. 6 are also applicable to natural or legal persons that are serving as patrons.

Art. 8 (1) The Romanian natural or legal person that carries out sponsorship in area provided in Article 4 shall benefit from a reduction of taxes, but no more than:

(a) 10% from tax for sponsorship in domain of: cultural, art, studies, half, assistants and social cervices, humanitarian activity, protection of environment;

(b) 8% from tax for sponsorship in domain of education, human rights, seines-research, philanthropy, keeping good shape, restoration, sport – except soccer.

(c) 5% from tax for sponsorship in domain of religion, social and common, representing the interest of professional associations, soccer.

(2) The Romanian natural or legal person that performs patronage activity benefit abatement for tax in equivalent of this but no more than 10% from the tax;

(3) The entire abatement of taxes and patron can be no more than 10% of income tax;

(4) The foreign natural or legal person which are in debt to Romanian state, 1 tax for 1 income earned in Romania and which carry out sponsorship and patron, but which perform the sponsorship benefit abatement of income tax on equivalent in lei of sponsorship.

Art. 9 (1) amount of money for sponsorship are exempt of paying income tax.

(2) the same provisions is valuable for goods.

Art. 10 (1) Sponsor that are trying to direct the activity of beneficiary Shall not benefit from the advantages provide by the present law.

(2) Dispositions of 1st part are not putting aside the right to make other contracts that includes duties.

Art. 11 Contestation regarding the grant or refusal to grant the advantages provided by the present law shall be solved in compliance with the Law # 105/1997 for solution of contestations and complains of or amount of money imposed by the Ministry of Finance

Art. II In term of 30 days from the related decision, Ministries will emit instructions for implementation and will advise the Ministry of finance.