

# Regulatory and Fiscal Analysis of the Limited Liability Company and the Authorized Natural Person in Romania: Case Study

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**Abstract:** This paper aims to comparatively analyse the tax regimes applicable to the most widely used legal forms of organising economic activity in Romania — the limited liability company (SRL) and the authorised natural person (PFA) — in the context of the legislative amendments in force for the year 2025. The main goal of the study is to provide entrepreneurs with a concrete analytical tool to support them in choosing the optimal legal form from the perspective of fiscal efficiency, assumed legal risk, and administrative sustainability. The research methodology combines documentary analysis of the specialised literature and the regulatory framework with an applied case study, based on financial simulations for a standardised annual income scenario (150,000 lei). The results highlight significant differences between the two forms of organisation, both in terms of the volume of taxes and contributions due to the state and the impact on net profit and the expense structure. The PFA proves to be more fiscally efficient in the case of individual activities with moderate incomes, while the SRL, especially in the microenterprise regime, offers increased advantages in terms of legal protection and development potential. The originality of the work lies in the integrated approach to fiscal and legal analysis, as well as in the practical applicability of the conclusions, by correlating the theory with relevant financial simulations adapted to the current economic reality.

**Key words:** Tax Optimisation, Financial Simulation, Tax Measures

**JEL classification:** G19, G39, I29, K29, M13

## 1. Introduction

Legislative changes have recently led to insecurity among economic agents on the opening of new forms of organisation. In 2025, thorough documentation is required regarding the choice of the form of organisation, SRL (limited liability company) or PFA (authorised natural person), because the two forms of organization are complex and the taxation regime is different, as well as the possibilities for expansion and trust of stakeholders. However, the fiscal impact of the new regulations on mandatory social contributions and the importance that entrepreneurs attach to them have led to an increase in legal and fiscal consulting. In this context, future entrepreneurs face difficult choices and must start right from the beginning, evaluating their long-term objectives in order to choose the most appropriate form of taxation and organisation of their activity.

The purpose of this paper is to analyse and compare the two most widespread forms of organisation of economic agents: SRL and PFA from the perspective of the taxes and duties they apply. The methodology used is that of the case study, in which the two forms of organisation were compared from the perspective of taxes and duties paid to the state.

The research is based on a double methodological approach: on the one hand, a literature review that captures the evolution of regulations and theoretical debate regarding the forms of organisation of economic activities, and on the other hand, a case study built on applied financial simulations, designed to quantify the differences in taxation and profitability depending on the chosen legal form. The simulations are based on a representative scenario, with constant annual income of 150,000 lei, reflecting the tax conditions valid in 2025, according to recent amendments made to the Fiscal Code and related legislation.

The results highlight the fact that, under certain conditions (moderate income, low number of employees, predictable expenses), the PFA form can generate a higher net real profit, due to a more simplified tax regime and the absence of additional taxes, such as those applied to dividends. In contrast, the SRL, especially in the micro-enterprise regime, offers superior legal protection, increased development capacity, and more flexible possibilities for reinvesting profits or outsourcing income.

The originality of the paper lies in combining a theoretical and legal analysis with an applicative approach, orientated towards the real needs of entrepreneurs who have to choose between fiscal efficiency and legal protection. By corroborating updated legislative data with concrete financial simulations, the paper contributes to the outline of a rational and reasoned decision-making framework, which can serve as a guide for Romanian entrepreneurs in the process of initiating, organising, and optimising economic activity depending on the chosen legal form.

The paper continues with the literature review section in which aspects regarding the fiscal changes that have occurred and the need for fiscal optimisation are presented, then the research methodology is presented and, in the results section, the main aspects regarding PFAs and SRLs are presented. The paper ends with some conclusions and captures the research limits and future research directions.

## 2. Literature review

With the passage of time and the change of government policies, tax changes have inevitably appeared that have benefited or disadvantaged certain economic agents in the Romanian market. Therefore, choosing an efficient taxation

system for the activity that an entrepreneur performs is essential for creating a competitive advantage in the market and for its internal and external development. Thus, we will review the main tax changes that have appeared over time in order to have a broader context and make a correct and documented decision regarding the tax system in Romania.

Tax optimisation is an essential element in the decision-making process of entrepreneurs at the beginning of their journey, directly influencing the legal form of organisation chosen and, implicitly, the financial sustainability of the business. Grigore and Gurău (2015) emphasise that the choice between a limited liability company (SRL) and an authorised natural person (PFA) involves not only differences in terms of the degree of legal liability and administrative costs, but also a significant tax impact on the entrepreneur's net income. The authors highlight that estimating medium-term income and expenses is essential for the application of effective tax optimisation strategies, which can lead to a substantial reduction in the total tax burden, especially if advantageous tax regimes are opted for, such as the fixed income tax in the case of PFA. In this regard, the comparative analysis of tax scenarios shows that tax optimisation is not a one-time approach, but a continuous process, adapted to the legislative dynamics and financial context of the business. Therefore, the tax optimisation strategy becomes a necessary condition to maximise profit and maintaining the competitiveness of small and medium-sized enterprises in Romania.

Tax optimisation is an essential tool for entrepreneurs as they fully assume the economic and legal risk in the absence of asset separation. Nagy and Ghica (2021) highlight that, in the context of the new civil regulation, the choice of legal form and the efficient management of tax obligations are crucial for the sustainability and protection of the business.

For example, the work carried out by Negoescu and Mihalcea (2015) aims to assess the fiscal efficiency of different forms of organising economic activity – employee, PFA or SRL – in the context of high taxation in Romania and the constraints generated by the economic crisis. The results indicate that the option for alternative forms of work provision, such as PFA or SRL, allows for a significant reduction in fiscal burdens, by eliminating mandatory social contributions, compared to the employee status. The study argues that fiscal optimisation becomes an essential strategy for the sustainability of small economic agents, especially in the absence of advantageous credit facilities. In conclusion, the analysis provides a critical perspective on fiscal policies and their impact on the income structure and decisions on the legal organisation of economic activity.

On the other hand, Pătru (2018) aims to provide a comprehensive analysis of the legal regime applicable to authorised natural persons (PFA), individual enterprises (II), and family enterprises in Romanian law, with the aim of highlighting the structural particularities and normative implications of each form of organisation of economic activity. The conclusions of the study reveal that, despite the administrative and procedural advantages associated with the PFA, this legal form is limiting in terms of the number of authorised activities and the number of employed personnel, while also being characterised by unlimited liability of the holder. In this context, the author argues that the current legislation, although facilitating initial access to economic activity, may become restrictive in the medium and long term for entrepreneurs with extensive activity, determining a natural reorientation towards more robust legal forms, such as the individual enterprise or the limited liability company (SRL).

Furthermore, analysing the work carried out by Nancu and Mihai (2021) that highlighted the main legal forms of organisation used in the conduct of economic activities by small enterprises in Romania, with a focus on the dynamics of registrations and the particularities of each legal regime, the prevalence of debuting SRLs and PFAs as dominant forms of organization among small entrepreneurs is highlighted, while family businesses remain marginal. The authors also observe a significant demographic concentration of entrepreneurs in the 39–49 age group, with a representation of approximately 60% men and 40% women. The conclusions indicate that the choice of legal form is influenced both by the tax regime and administrative requirements, as well as by personal and regional factors, underlining the importance of legislative support for the emerging entrepreneurial segment. However, Leuciuc's (2020) paper aims to analyse the legal regime and functional characteristics of the limited liability company (SRL), highlighting its position as the most frequently used corporate form in Romania, especially among novice entrepreneurs. The study adopts a theoretical, legal, and statistical approach, combining doctrinal analysis with the examination of data provided by the Trade Register for the period 2014–2018, to capture trends in the registration compared to other corporate forms. The results show a net prevalence of SRLs due to the low level of minimum share capital (200 lei), the protection offered to partners through limited liability, and the flexibility in management, including in the case of SRLs with a single partner. The author also proposes a series of *lege ferenda* amendments aimed at strengthening the regulatory framework applicable to SRLs, especially in terms of clarifying the procedures for registration, operation, and amendment of the articles of association. The main conclusion emphasises the essential role of LLCs in the dynamics of the Romanian entrepreneurial environment and the need to harmonise commercial legislation with contemporary economic realities.

However, it is essential to see what the criminal implications of engaging in one form of activity or another have. In this regard, the study conducted by Gorun et al. (2020) investigates the general conditions for engaging in criminal liability of legal entities based on Romanian criminal and fiscal legislation, with the main objective of clarifying the legal framework and identifying the fiscal and criminal implications associated with economic entities. The results highlight that private law legal entities can be held criminally liable for acts committed in the interest, name, or in connection with the purpose of the entity, without the need to identify the natural person who committed the act, which reinforces the principle of autonomy of criminal liability of the legal entity. The authors also highlight the central role of tax evasion and cybercrime in destabilising the economic environment, arguing for the need to reform the tax system and strengthen voluntary compliance mechanisms. The study supports the adoption of a coherent legislative framework that allows the

effective sanctioning of crimes committed by companies and the prevention of outsourcing of responsibility through fictitious legal structures.

Leuciuc and Cibotariu (2020) analysed the regulation of the single-member limited liability company (SRL unipersonală) in Romanian and European law, highlighting the evolution of this corporate model in the context of economic needs and legislative harmonisation at the European Union level. The results highlight the advantages of this legal form in terms of the separation of personal and social assets, limited liability protection, and operational flexibility, while also identifying some regulatory gaps, such as the lack of coherent regulation on the minimum share capital or dissolution procedures. The conclusions suggest the need for a unitary and clear regulation of single-member LLCs, given the expansion of this form of organisation as a preferential solution for small-scale entrepreneurship throughout Europe.

The study prepared by Moroșan-Dănilă and Grigoraș-Ichim (2023) aims to conduct a comparative analysis of the tax regimes applicable to entrepreneurs in Romania, depending on the chosen legal form, namely limited liability company (SRL) or authorised natural person (PFA), in the context of the amendments brought by Government Ordinance no. 16/2022. The methodology used is based on an empirical and comparative approach, including detailed financial simulations regarding the tax burden, social contributions, and wage costs related to each form of organisation. The results highlight that the PFA form is more fiscally advantageous for annual incomes below 12 gross minimum wages, while the micro SRL becomes favourable when the threshold of 24 minimum wages is exceeded and there is at least one full-time employee. Furthermore, the research highlights the volatility of the Romanian tax legislative framework and the importance of rapidly adapting entrepreneurial strategies to new regulations. The authors also propose possible directions for tax reform aimed at stimulating investment and the sustainability of the business environment.

Stănciulescu (2023) aimed to highlight the impact of the new fiscal-budgetary measures introduced by law no. 296/2023 on the tax regimes applicable to limited liability companies (SRL) and authorised natural persons (PFA), through a normative and comparative analysis of the legislative amendments. The methodology used consists of interpreting the relevant legal provisions and carrying out a financial simulation regarding the tax burden related to each form of organisation. The results highlight significant differences between SRL and PFA in terms of tax obligations, social contributions, and eligibility conditions, concluding that the micro SRL, under certain conditions, offers the most efficient fiscal framework for carrying out economic activities.

### 3. Research methodology

The purpose of this paper is to compare the most frequently used legal forms of organisation in the Romanian entrepreneurial environment, the limited liability company (SRL) and the authorised natural person (PFA) — from the perspective of the tax regime applicable to them. The methodology adopted involves the application of a case study through which the differences in taxes and contributions owed to the state by each form of organisation are examined.

In the first part of the case study, a comparative analysis of the SRL vs. PFA organisational forms will be carried out in order to identify the main similarities and differences between them; subsequently two simulations will be carried out for the three most frequently encountered types of taxation in Romania in 2025: SRL – income tax payers, SRL – profit tax payers and PFA – authorised natural person.

The methodology adopted in this paper is based on a mixed approach, combining theoretical analysis with an applied case study, to capture not only the normative and conceptual implications of the choice of legal form, but also the concrete consequences on the financial performance of an economic activity. The case study is an essential component of the research, as it allows the testing of theoretical hypotheses in a practical, contextualised, and adapted framework to the Romanian fiscal reality of 2025.

The financial simulation model was built starting from a set of standardised assumptions — an annual income of 150,000 lei and, where applicable, a minimum gross salary for the administrator - to reflect a typical situation among novice entrepreneurs or those with small and medium-sized independent activities. This framework allows for a direct comparison of the three fiscal scenarios most frequently encountered in practice: micro-enterprise LLC, profit tax-paying LLC and PFA in the real taxation system.

The importance of the case study lies in its ability to illustrate the significant differences between the three regimes in terms of contributions due to the state, income tax, salary costs, and, ultimately, net realisable profit. Through this approach, a clear, quantitative, and comparative perspective on the tax impact is provided, which helps entrepreneurs and decision-makers to better understand the implications of choosing one legal form or another. In addition, the case study allows for the integration of updated legislative aspects into the tax simulation, demonstrating how recent changes can influence the legal and tax organisation decision.

### 4. Results and discussions

#### 4.1 Aspects of the limited liability company and the authorised natural person

Sections should be numbered consecutively, using Arabic numerals (e.g. 4, 5 etc.) and subsections may be double-numbered (e.g. 4.1., 4.2. etc.). Authors must provide high-quality artwork for all illustrations. Poor-definition reproductions are not suitable. Tables and figures should be numbered separately. Each table and figure should have a title. Manuscripts must be written in appropriate English. Contributions are accepted for review on the understanding that the same paper has not been published anywhere else.

The limited liability company (SRL) is the legal form of organisation of a business whose main characteristic is the limited liability of the partners, limited by the subscribed share capital, but also the fact that it can be managed by one

or more administrators, who can also be partners. The main characteristics of this form of organisation are the separate assets from those of the partners, their personal assets being thus protected in the event of financial difficulties or litigation; the distribution of dividends, with partners having the choice of receiving dividends directly proportional to their share of the paid-up share capital, and the legal existence, separate from the partners, which allows the company to continue its existence after the withdrawal or death of one or more partners, according to Law 31/1990 on companies (Just Legislation, 2025).

Authorised physical person (PFA) is a form of independent organisation of economic activity independently, without legal personality. Authorised individuals keep simple accounting, by individuals with the capacity of taxpayer. They can have a maximum of 5 CAEN codes for their activities and can employ a maximum of 3 people under an individual employment contract. The PFA is responsible for the obligations assumed in the operation of the enterprise with the assets from the assigned patrimony, and if these are not sufficient to cover the receivables, the other assets of the debtor can be pursued. The PFA ceases its activity upon the death of the owner or his will, according to GEO 44/2008.

The limited liability company with income of less than 250,000 EURO, respectively 100,000 starting with January 1, 2026 is subject to the payment of income tax, which is 1% if the enterprise achieves income of less than the equivalent in lei of 60,000 EURO or has one employee and 3% if it has no employees or income greater than 60,000 EURO. The SRL switches to profit taxation, which is 16%, if it exceeds the ceiling of 250,000 EURO or 100,000 EURO from January 1, 2026, or if it opts in this regard (Fiscal Code, 2025).

For PFA, the tax is 10% of net income, that is, income from which deductible expenses are deducted. PFA have the option of choosing taxation in the real system, based on accounting data, or based on the income norm, which cannot be lower than the gross minimum wage per country multiplied by 12 (Fiscal Code, 2025).

#### 4.2 Case study. PFA or SRL in 2025? Analysis of expenses for SRL and PFA

From the point of view of taxation of an LLC, there are two possibilities.

- Companies paying profit tax – this is the mandatory organisational form for all companies. The tax rate is 16% of the taxable profit.
- Companies paying micro-enterprise income tax. This form of taxation is optional and requires the cumulative fulfilment of certain conditions, as follows:
  - LLC paying microenterprise tax (on income) with a tax rate of 1%.
    - The income generated is up to 60,000 euros.
    - has at least one employee, except for the newly established one, which is obliged to hire within 30 days inclusive from the date of registration as a legal entity;
    - Has associates/shareholders who hold over 25% of the value/number of shares or voting rights in at most one micro-enterprise that falls within the scope of applying the micro-enterprise income tax system;
    - has submitted the annual financial statements on time, if required to do so by law.
  - LLC paying microenterprise tax (on income) with a tax rate of 3%.
    - revenues are greater than 60,000 euros and up to a maximum of 250,000 euros;
    - has at least one employee, except for the newly established one, which is obliged to hire within 30 days inclusive of the date of registration as a legal entity.
    - Has associates/shareholders who hold over 25% of the value/number of shares or voting rights in at most one micro-enterprise that falls within the scope of applying the micro-enterprise income tax system;
    - submitted the annual financial statements on time, if required by law.

To better understand which form of organisation an entrepreneur should choose when deciding to carry out an economic activity, we propose a calculation model below. We assume that the annual income is 150,000 lei, and in order to qualify for the optional taxation of micro-enterprise income, in our simulation we will assume that he/she is employed by his/her own company with a minimum wage in the economy valid in 2024 of 4,050 lei. Thus, the entrepreneur, following Table 1, will be able to choose which form of organisation suits him/her best

Table 1 is a comparative table that analyses the tax regime applicable to three legal forms of carrying out an economic activity in Romania, SRL micro-enterprise, SRL paying profit tax, and PFA — based on an identical annual income of 150,000 lei. The analysis highlights significant differences in terms of taxes owed to the state, the structure of expenses, and the level of net profit obtained. In the case of the micro-enterprise LLC, the administrator benefits from a minimum gross monthly salary of 4,050 lei, which generates additional tax obligations: social security contribution (CAS), health contribution (CASS), salary tax, and labour insurance contribution. The company also pays an income tax of 1% of turnover (1,500 lei). In total, annual direct taxes amount to 22,763 lei, but after the distribution of dividends and the payment of the related CASS, the total amount paid to the state reaches 40,346 lei. The real net profit, after all tax deductions, is 109,654 lei.

**Table 1.** Real Income Calculation Model

| Variabilă                | SRL - MICRO | SRL - PROFIT | PFA     |
|--------------------------|-------------|--------------|---------|
| Annual income            | 150.000     | 150.000      | 150.000 |
| Monthly salary - minimum | 4.050       | 0            |         |
| CAS                      | 12.150      |              | 9.720   |

|                                  |                |                |                |
|----------------------------------|----------------|----------------|----------------|
| CASS                             | 4.860          |                | 15.000         |
| Tax on income in kind from wages | 3.159          | 0              |                |
| Labor insurance contribution     | 1.094          | 0              |                |
| Income tax - legal entity        | 1.500          | 0              |                |
| Tax on PFA                       |                |                | 9.750          |
| Profit tax                       |                | 24.000         |                |
| Total annual taxes to the state  | 22.763         | 24.000         | 34.470         |
| Net profit                       | 127.238        | 126.000        | 115.530        |
| Dividends 10%                    | 12.724         | 12.600         | 0              |
| Net dividends                    | 114.514        | 113.400        |                |
| CASS - for dividend income       | 4.860          | 9.720          |                |
| Total taxes paid to the state    | 40.346         | 46.320         | 34.470         |
| <b>Real net profit</b>           | <b>109.654</b> | <b>103.680</b> | <b>115.530</b> |

Source: own processing

For the LLC paying profit tax, no salary is recorded, which eliminates taxes related to salary income. The company owes, in return, a 16% tax applied to the profit, in the amount of 24,000 lei. Subsequently, taxes on dividends (10%) and the related CASS are applied. Thus, the total contributions to the state budget amount to 46,320 lei, and the final net profit obtained is 103,680 lei.

In the case of the authorised individual (PFA), the mandatory contributions include CAS (9,720 lei) and CASS (15,000 lei), calculated at the capped levels, as well as income tax (16%), in the amount of 9,750 lei. This legal form does not involve the distribution of dividends and, implicitly, does not generate additional taxes on this segment. Thus, the PFA registers the highest annual direct taxes (34,470 lei), but, in the absence of taxes on income distribution, the real net profit is the highest, reaching the amount of 115,530 lei.

The choice of the optimal legal form must be correlated with the specifics of the activity carried out, the estimated volume of deductible expenses, the desire to outsource income through dividends, and the need for fiscal flexibility. For individual activities, with low costs and constant income, the PFA represents an efficient option from a fiscal point of view. On the other hand, if the aim is to reinvest profit or develop a more complex structure, the microenterprise LLC may be more advantageous, especially in the context of moderate income and the possibility of fiscal optimisation through payroll and dividends.

However, choosing the appropriate legal form for carrying out an economic activity must be based on a careful analysis of several factors, such as: the estimated level of income, the volume of expenses necessary for current operations, the desired remuneration method (monthly salary or dividend distribution), as well as the entrepreneur's medium- and long-term strategic objectives.

Regarding the differences between PFA and SRL from the perspective of the establishment procedure and the operational framework, the following aspects can be highlighted:

- Administrative complexity: The registration of a PFA involves a simplified bureaucratic process, which also implies lower establishment costs compared to an SRL.
- Possibility of employment: A PFA can employ a maximum of three employees, a limitation that does not exist in the case of SRLs, which can contract an unlimited number of employees.
- Legal regime of liability: The holder of a PFA is personally liable for the fiscal and commercial obligations of the activity, including personal assets (home, car, etc.), while, in the case of an SRL, liability is limited to the company's assets, thus protecting the personal assets of the associates.
- Accounting: The PFA has the ability to keep its accounting records in simple entry, without the obligation to hire an accountant, unlike the SRL, which requires a double-entry accounting system and, implicitly, specialised accounting services.
- Sensitivity to tax changes: The structure of the PFA may be more vulnerable to legislative changes, especially with regard to the ceiling for health contributions (CASS), which can reach up to the equivalent of 60 gross minimum wages. In addition, in some situations, certain activities carried out by the PFA may be subject to a higher tax rate (3%) compared to the reduced rate of 1% applicable to microenterprises.

Therefore, the choice between the PFA and the SRL should not be based exclusively on immediate tax criteria, but on a holistic assessment of the specifics of the activity, development plans, the level of risk assumed, and the available administrative resources.

## 5. Conclusions

The comparative analysis between the limited liability company (SRL) and the authorised natural person (PFA), carried out from both a theoretical and an applicative perspective, highlights the complexity of the decision regarding the optimal legal form for carrying out an economic activity in Romania. The study demonstrates that, in the context of a constantly changing taxation and dynamic regulations, the choice of legal form must be the result of an integrated assessment, which takes into account both financial parameters (income, expenses, taxes) as well as legal, administrative and long-term sustainability aspects.

Based on financial simulations and the regulatory framework in force for the year 2025, it can be concluded that the PFA form is more fiscally efficient for moderate annual incomes (below approximately 150,000 lei), especially in the absence of employees and in conditions where the entrepreneur fully assumes the risks of the activity. This offers a simplified accounting regime and reduced administrative costs, but comes with important limitations regarding patrimonial liability, a cap on the number of employees, and restrictions related to the object of activity.

In contrast, the microenterprise LLC, provided that the legal criteria are met (the existence of one employee and falling within the income ceiling), is emerging as a viable alternative for entrepreneurs who want a balance between fiscal optimisation, legal protection of personal assets, and the possibility of distributing dividends. Although it involves higher administrative costs and a more rigorous accounting regime, the LLC offers a flexible framework and extensive legal protection and is also a preferred form for long-term business development.

At the same time, the analysed specialized literature confirms that fiscal optimisation is not an isolated approach, but a continuous process of adaptation to legislative changes and economic conditions. Thus, the strategy for choosing the legal form must be integrated into a coherent entrepreneurial plan, which includes the assessment of risks, growth opportunities, and tax compliance.

Finally, it is important to emphasise that the choice of legal form should not be made exclusively based on the immediate fiscal burden, but through an interdisciplinary analysis that includes: the purpose and duration of the economic project, the structure and nature of the expenses, the risk profile of the entrepreneur, the targeted financing regime, and the general legal context. In this sense, both the SRL and the PFA retain their relevance depending on the particularities of each case, and an informed decision can constitute the foundation of a sustainable and efficient economic activity.

This research, although offering an applied and rigorous analysis of the main tax regimes applicable to PFAs and SRLs in Romania, faces certain methodological and contextual limitations that must be recognised. First, the financial simulation is built on a set of fixed assumptions regarding annual income (150,000 lei) and the minimum wage, which reduces the degree of generalisation of the conclusions for other income thresholds or forms of remuneration. Second, the study does not take into account the influence of important contextual factors, such as access to financing, the level of digitalisation of the activity or geographical location, which can significantly affect the fiscal and administrative performance of each form of organisation. Also, the dynamics of taxation in Romania, characterised by frequent legislative changes, may reduce the applicability of the results in the long term.

In light of the results obtained and the literature consulted, it is recommended that the choice of legal form of organisation be made in an informed manner, based on a multidimensional assessment that includes both fiscal and legal, administrative, and strategic aspects. For entrepreneurs at the beginning of their journey, with moderate income and individually carried out activity, the PFA can represent an efficient option in terms of costs and operational flexibility. In contrast, for entrepreneurial initiatives aimed at expanding the activity, attracting partners, or accessing financing, the SRL, especially in the microenterprise regime, offers superior legal protection and a greater capacity for development. It is also recommended to consult a tax specialist before choosing the legal form, as well as to constantly monitor legislative changes, in order to maintain an optimal fiscal strategy that complies with the regulations in force.

In the perspective of expanding and deepening this research, several relevant directions for future studies are recommended. A first direction would be to develop multiple financial simulations, covering a wider variety of scenarios regarding income levels, expenditure structure, and number of employees. In addition, the integration of qualitative dimensions, such as entrepreneurs' perceptions of bureaucracy, the relationship with tax authorities, or legislative stability, could provide a more complete perspective on the decision on the legal form. Other possible directions include the analysis of regional and demographic differences in the choice of organisational form, with a focus on gender and age issues, but also the assessment of the impact of taxation on digitalisation and innovation among small and medium-sized enterprises. Finally, a comparison between the tax regimes in Romania and those in other European Union member states could contribute to the identification of efficient models of tax harmonisation and the formulation of concrete proposals for legislative reform.

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