



Good practice fiche

Title of the policy or measure (in English)	Receipts Lottery
Case study/good practice name	Using a Lottery to encourage customers to request purchase receipts: a demand-side incentive policy measure towards tackling undeclared work
Country	Romania
Sectors	All sectors
Target groups	Romanian nationals and foreigners buying goods and/or services in Romania and traders of goods and/or services selling direct to the population.
Type of measure	Changing attitudes: awareness raising
Short sentence summarising the measure	In 2015, following a proposal of the Ministry of Public Finance, the Romanian Government launched a receipts lottery to encourage consumers to ask for purchase receipts and keep them, as a new measure to reduce tax evasion and undeclared work.
Background	
<ul style="list-style-type: none"> Background context driving the implementation of the measure 	<p>Considering the large share of the informal economy in terms of GDP (around 28 % of GDP in 2013 according to the Council of Europe's anti-money laundering committee), high tax evasion (especially in VAT), and low levels of tax compliance (European Commission, Country Report Romania 2016), the Romanian authorities have started to implement policy measures to improve tax collection and to increase tax compliance. For instance, the pilot compliance project targeting undeclared labour, under-declared earnings and tax evasion launched mid-2014 was extended in 2015 to the entire country. Also, at the beginning of 2015, the National Agency for Fiscal Administration (ANAF) launched a toll-free telephone number where customers can report cases where they have not received a receipt for their purchases. The receipts lottery measure builds on this and seeks voluntary compliance in its targeting of undeclared work and VAT evasion, which are the main factors affecting tax revenue.</p>
<ul style="list-style-type: none"> When was the measure implemented? (including start date and end date/ongoing) 	<p>The measure was first implemented in January 2015. The first draw was held on 13 April, 2015 and is ongoing.</p>
<ul style="list-style-type: none"> Names(s) of authorities/bodies/organisations involved 	<ul style="list-style-type: none"> Romanian Ministry of Public Finance/ National Agency for Fiscal Administration (ANAF) Romanian National Lottery
<ul style="list-style-type: none"> Scope of the measure (a pilot project, nationwide, regional wide) 	<p>Nationwide</p>
<ul style="list-style-type: none"> Type of (policy) measure 	<p>Incentives for customers to request purchase receipts.</p>

Key objectives of the measure	<p>The objective of this initiative is to reduce tax evasion and undeclared work by boosting voluntary compliance, offering incentives for economic actors to behave 'properly' and for increasing civic responsibility.</p>
Specific measure <ul style="list-style-type: none"> • Description of how the measure operates in practice 	<p>The receipts lottery takes place monthly and on other special occasions (usually, Easter and Christmas) and operates in the following way (Government Ordinance no. 10/ 28.01.2015 regarding the organisation of Receipts Lottery): (1) individuals request and keep purchase receipts issued by traders; (2) for each monthly lottery two numbers are extracted: a) a number from 1-999, representing the amount of the receipt (to the nearest whole number), including VAT (the number representing the total amount of the receipt results from the successive extraction of three series of digits between 0 and 9); b) a number representing the day of issue of the relevant fiscal receipt for which the receipts lottery is organized. For an occasional lottery an additional number representing the calendar interval (i.e. month) is extracted. Receipts must meet cumulatively the following conditions: correspond to the two criteria mentioned (1 and 2 above); be issued by an electronic cash register in accordance with the law; all the mandatory information listed on the receipt be legible; be issued to an individual (i.e. not to mention any buyer tax ID). To claim the prize, individuals who hold receipts that meet these conditions must go to any territorial unit of the ANAF to submit them within 30 days of the draw. The prize is determined by dividing the prize pool for each extraction by the number of winners. If the number of winning receipts exceeds 100, an additional draw from the tickets which meet the winning criteria is organised and 100 winning tickets are drawn. The maximum number of 100 winners was established after the first draw in April 2015 when 17,902 winners claimed the prize. Considering the fixed budget, each prize was about EUR 12. By introducing a maximum number of winners, the prizes are currently more attractive (at least approx. EUR 2.200).</p>
<ul style="list-style-type: none"> • Which groups are targeted by the measure? 	<p>Romanian nationals and foreigners buying goods and/or services valuing between 1 and 999 RON in Romania and traders of goods and/or services directly selling to the population.</p>
<ul style="list-style-type: none"> • What resources and other relevant organisational aspects are involved? 	<p>The prize pool for each draw is established in each year. Until this moment, each time the prize consisted of approx. 220.000 EUR (RON 1 million). Beside the monthly draws, in 2015 three occasional draws took place (April, June, December) while in 2016 two occasional draws took place (Mai and December). Also, staff time is required from the ANAF and Romanian National Lottery.</p>
<ul style="list-style-type: none"> • What are the source(s) of funding? 	<p>The budget of the Ministry of Public Finance</p>
Evaluation and outcome	
<ul style="list-style-type: none"> • Has the measure achieved its objectives? 	<p>Limited evidence - there is no public evaluation report. However, official press releases and interviews with representatives of the Ministry of Public Finance are in favour of this measure. For instance, a press release by ANAF (September 2015) reveals an increase in declared VAT: '... given the increase of 5.85% in declared VAT volume amounts (cumulative seven months in 2015 compared with the same period in 2014), we believe this is largely due to the combined effect of some measures'. These measures include the measure that stimulates customers to request tax receipts ('Receipts lottery'). Moreover, in 2016, the former minister of public finance, Ioana Petrescu,</p>

	declared that the receipts lottery 'has been very successful and VAT is now up by a lot. It's made a real impact ... We're pleased with how it has turned out'.
<ul style="list-style-type: none"> Assessment method (including indicators used to measure its impact), and the outputs and outcomes achieved 	<p>No evaluation currently available. However, some outcomes underlying the effect of the receipt lottery can be mentioned:</p> <ul style="list-style-type: none"> In 2015, 9 lotteries took place (6 monthly lotteries and 3 occasionally lotteries) but only for 7 of them there were registered winners. The total number of winners was 18.091. At the end of 2015, 17.985 prizes were effectively paid (for 5 out of 7 lotteries, in accordance with the legal number of days necessary for claiming the prizes) with the biggest prize being approx. EUR 55,000 (RON 250,000) (press release by Ministry of Public Finance, January 2016). 'The consumption of paper rolls for cash registers has increased by 80% since the Receipts Lottery began. So there are almost two times more receipts being printed' (press release by MasterCard director for Romania, Cosmin Vladimirescu, quoted by Mediafax, October, 2015). By March 2017, 25 lotteries have taken place (9 in 2015, 14 in 2016, and 2 in 2017).
<ul style="list-style-type: none"> What are lessons learnt and the key conditions for success? 	No assessment has been carried out.
<ul style="list-style-type: none"> Level of transferability (e.g. other countries/groups/sectors) 	This is a transferable measure. Other countries could introduce a receipt lottery to encourage customers to request receipts.
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Sources	<p>Romanian Ministry of Public Finance, www.mfinante.ro</p> <p>National Agency for Fiscal Administration (ANAF), www.anaf.ro</p> <p>National Romanian Lottery, www.loto.ro</p> <p>Government Ordinance no. 10/ 28.01.2015 regarding the organization of Receipts Lottery. Available at: http://www.mfinante.ro/loteriabonurilor.html?pagina=loteriabonurilor</p> <p>European Commission. (2016). Commission staff working document - Country Report Romania 2016. Brussels: European Commission. Available at: http://ec.europa.eu/europe2020/pdf/csr2016/cr2016_romania_en.pdf</p> <p>Council of Europe. (2014). Report on Fourth Assessment Visit of Romania. Committee of experts on anti-money laundering measures and the financing of terrorism (MONEYVAL). Available at: http://www.coe.int/t/dghl/monitoring/moneyval/Evaluations/round4/ROM4_MERMONEYVAL(2014)4_en.pdf</p> <p>MasterCard director for Romania, Cosmin Vladimirescu, quoted by Mediafax, (October, 2015). Available at: http://www.mediafax.ro/economic/directorul-mastercard-pentru-romania-numarul-de-bonuri-fiscale-emise-aproape-s-a-dublat-de-cand-a-inceput-loteria-fiscala-14844457</p> <p>Interview with the former minister of Ministry of Public Finance, Ioana Petrescu (February, 2016). Available at:</p>

Metadata and key words for
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<https://www.centreforpublicimpact.org/romania-rules-for-delivery/>

Receipts lottery, Voluntary compliance, Incentives, awareness-raising