

TRUE AND FAIR VIEW VERSUS TAXATION IN 2006 ROMANIAN ACCOUNTING

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Abstract:

In order to reflect the faithful image through annual reporting situations, accounting must be lead taking into account its own principles without being distort by the exceptional value adjustments exclusively with fiscal purpose. That is why there should exist a clear difference between accounting and fiscality, meaning that the fiscal recognition of some expenses must not be condition by the why they are reflected in accountancy. Even though it is formally accepted, the intention to separate bookkeeping from fiscality in the process of implementation, is still difficult to put into practice. In this particular field, there were seen spectacular and unhoped for progresses, immediately fallow by returns and reinterpretation. We have tried to identify a few aspects in which fiscality interacts with the accounting field in the matter of calculating the income tax. We have also tried to emphasize the progresses done in the process of separating bookkeeping from fiscality. All in all, we have selected several arguments brought into discussion by IASB in order to forbid the use of LIFO method in determining costs.

Keywords: *faithful image, fiscality, accounting.*

JEL codes: *M41, H30*