

PAS Mobility Tracker

Impact of COVID-19 on Mobility Services

April 2020



Important notes

- ▶ This document provides a snapshot of the policy changes that have been announced in jurisdictions around the world in response to the COVID-19 crisis. It is designed to support conversations about policies that have been proposed or implemented in key jurisdictions
- ▶ Policy changes across the globe are being proposed and implemented on a daily basis. This document is updated on an ongoing basis but not all entries will be up-to-date as the process moves forward. In addition, not all jurisdictions are reflected in this document
- ▶ Find the most current version of this tracker on [ey.com](https://www.ey.com)
- ▶ Please consult with your EY engagement team to check for new developments

EY has developed additional trackers to help you follow changes:

- ▶ [Immigration Tracker](#)
- ▶ [Labor and Employment Law](#)
- ▶ [Tax Controversy](#)
- ▶ [Tax Policy Stimulus Tracker](#)

EY professionals are updating the trackers regularly as the situation continues to develop.

Overview/key issues

Overview

- ▶ With the number of confirmed cases and fatalities worldwide rising rapidly every day, many government authorities are enacting emergency measures, including payroll, tax, and social security related measures, to address the economic and logistical challenges presented due to the spread of COVID-19 for individuals traveling within and outside of their countries.

Key issues

- ▶ Measures being introduced include the following:
 - ▶ Temporary exemption from tax residency determination, where presence in a jurisdiction is tied to a quarantine;
 - ▶ Change in taxability related to paid sick leave, emergency medical leave;
 - ▶ Extension of individual tax filings deadlines;
 - ▶ Temporary reductions of taxes required to be withheld or paid;
 - ▶ Waiver of penalties for tax payments impacted by COVID-19; and
 - ▶ Supplemental social security payments for classes of individuals impacted by COVID-19.

Jurisdictions (69)

Angola	Czech Republic	Indonesia	Philippines	UK&I
Argentina	Dominican Republic	Ireland	Portugal	Ukraine
Aruba	Ecuador	Israel	Puerto Rico	United States
Australia	El Salvador	Italy	Romania	Uruguay
Austria	Estonia	Japan	Russia	Vietnam
Belgium	Finland	Kazakhstan	Rwanda	
Bosnia & Herzegovina	France	Kenya	Singapore	
Brazil	FYR of Macedonia	Korea	Slovak Republic	
Bulgaria	Germany	Latvia	Slovenia	
Canada	Ghana	Lithuania	Spain	
Chile	Greece	Malaysia	Sweden	
China Mainland	Guatemala	Mexico	Switzerland	
Colombia	Honduras	Mongolia	Taiwan	
Costa Rica	Hong Kong	New Zealand	Thailand	
Croatia	Hungary	Norway	The Netherlands	
Cuba	India	Panama	Turkey	

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Payroll compliance changes

- ▶ Taxpayers with annual turnover up to ALL 14 mln (approx. EUR 115,000) whose business activity has been suspended due to COVID-19 outbreak, are entitled to a gross minimum wage for its employees of ALL 26,000 (approx. EUR 213). However, the taxpayers shall fulfil several criteria to benefit the above wage.

Tax compliance changes

- ▶ Up to date there are no extensions for personal tax returns. Only corporate tax return and annual financial statements filing deadlines have been extended.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Entry and exit to/from Albania is currently prohibited, with the exceptions of individuals that have obtained special approval by the authorities
- ▶ Anyone entering Albania is subject to a state quarantine for a period of 14 days

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ According to Provisional Presidential Decree 1/20 of 18 March 2020, after 20 March 2020, all commercial or private flights from and to Angola will be suspended for 15 days, extendable for the same period, due to the development of COVID-19.
- ▶ The free movement of persons in the land borders, as well as the landing and disembarking of passenger ships after 20 March 2020 for 15 days is not allowed, extendable for the same period of time.

Payroll compliance changes

- ▶ No mandatory increases, bonus or concepts have been introduced in the Argentinian regulations. In addition, there are amendments to the Employment law that could be applicable. All the rules to reduce economic impact to employers have been introduced through social security taxes.

Tax compliance changes

- ▶ The due date for Forms F. 572 web (those used by employees to inform applicable income tax deductions to employers, in order to reduce income tax withholdings) has been postponed to 30 April 30 2020, instead of 31 March 2020. Finally, Tax Authorities have stated that a lot of applications that currently required physical presence will be done electronically until June 30 2020 (e.g. retroactive registrations or de-registrations).

Social Security changes

- ▶ Current legislation establishes - for a period of 90 days - a reduction of 95% of the employer contributions that are destined to the Argentine Integrated Social Security System (SIPA) for employers belonging to health-related services, establishments and institutions.
- ▶ Compensation collected by employees who have worked under the home-office approach would be fully taxable for employee and employer social security purposes (17% for employee contributions, with a monthly maximum taxable base of ARS 174,000 and 24% or 26.40% for employers, with no caps),
- ▶ The one collected by individuals who did not work will be subject to lower employee and employer social taxes (employees would pay 14% with the mentioned cap, while employers would pay only 7.58% instead of the mentioned 24% / 26.40%).

Other major changes

- ▶ "Social, preventive and compulsory social isolation" was established throughout Argentina from 20 March to 6 April 2020. People affected by certain activities and services declared essential in the emergency are exempt from complying with the "social, preventive and compulsory isolation" and the prohibition to go out their homes. Law provides that workers will have the right to the full enjoyment of their habitual earnings in the above-mentioned terms established by the regulations. Workers reached by the "preventive and compulsory social isolation" will be exempt from the duty of assistance to the workplace, but When their tasks or other similar tasks can be carried out from the place of isolation, they must, within the framework of contractual good faith, establish with their employer the conditions in which said work will be carried out.

Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Overtime that result from necessary compliance for these purposes, will have a reduction of 95% in employer contributions to the Social Security System (employers will pay 6.90% or 7.02% as social security employer contributions instead of 24% or 26.40% on overtime).
- ▶ The need to hire personnel while the "preventive and compulsory social isolation" lasts, must be considered extraordinary and transitory under the terms of article 99 of the Labor Contract Law. The wages of the workers hired for this period under this modality will have a reduction of 95% in employer contributions to the Social Security System (employers will pay 6.90% or 7.02% as employer contributions instead of 24% or 26.40% on compensation to be paid to eventual personnel hired after 20 March 2020).

Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ The need to hire personnel while the "preventive and compulsory social isolation" lasts, must be considered extraordinary and transitory under the terms of article 99 of the Labor Contract Law.
- ▶ The wages of the workers hired for this period under this modality will have a reduction of 95% in employer contributions to the Social Security System (employers will pay 7.02% as employer contributions instead of 26.40% on compensation to be paid to eventual personnel hired after 20 March 2020).

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Aruba has three turnover taxes, being the BBO ("belasting over bedrijfsomzetten"), the BAZV ("bestemmingsheffing AZV"), and the BAVP ("belasting addisionele voorzieningen projecten"). The deadline for the filing and payment of the payment on return taxes (wage tax, turnover taxes [BBO/BAVP/BAZV], tourist levy and gaming tax) for the tax period of February 2020 of 16 March 2020 has been extended to 20 March 2020.
- ▶ No further extensions have been announced yet.

Social Security changes

- ▶ Individuals with significant reduced income or no income will receive AFL 950 in "welfare" per month, from a temporary emergency fund (FASE, an Emergency Social Assistance Fund). This is planned to last for three months at this point.

Other major changes

- ▶ On 6 March 2020, a tax bill was submitted to the Parliament of Aruba to implement phase 2 of the tax reform. This bill included substantial changes, however on 20 March 2020 the Government announced that the tax bill is off the table at this time.
 - ▶ Employers can reduce working hours: meaning no work, no pay. Paid vacation should be used first.
 - ▶ Termination permits will not be granted.
 - ▶ Evictions from rental homes will be banned.
 - ▶ It is being arranged for electricity and water bills to have a grace period.
 - ▶ The list of price-controlled products has been expanded as of 20 March 2020 to include among others disinfectant products for personal and home care, toilet paper, protection gear, pampers, baby wipes and drinks containing electrolytes.
 - ▶ Banks have announced grace periods.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Starting 21 March 2020 until 31 March 2020, a compulsory curfew will be set from 9 pm to 6 am. Only vital groups are allowed to go to work, but employees of the vital authorities must be able to show proof of their employers to the police. Persons who do not observe the curfew can be fined up to AFL. 10,000.
- ▶ Starting 21 March 2020 no one, including Aruban residents, are not permitted to enter Aruba.
- ▶ Starting 19 March 2020, all casinos, movie theatres and gyms must close. Team sports activities are not allowed. All establishments, shops, restaurants and businesses must close at 8.00 pm. This also applies to hotels bars and restaurants.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Gasoline stations only with service through the window. These establishments must close at 10:00 pm. Companies that do not adhere to the mandatory closing time can be fined up to AWG. 1,000.
- ▶ Starting 17 March 2020 till 31 March 2020, the entry of travelers (inbound flights) will be restricted, except for legal residents and cargo. Residents that return to Aruba must self-quarantine for 2 weeks. See update of 21 March 2020.
- ▶ As per 16 March till 31 March 2020 all schools are closed. This measure applies to schools, day-care centers, and all organizations that oversee the education and care of our children. After this date the situation will be evaluated.
- ▶ All public events are canceled till 31 March 2020. This entails all government activities and all private activities that received a police permit.

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Payroll compliance changes

- ▶ If COVID-19 is the only reason why an individual is working in Australia, and they were not intending to stay in Australia, but they have not been able to leave, the Australian Taxation Office accept that working in Australia for less than three months will not result in the individual being assessed for Australian tax (regardless of whether the employer is Australian or foreign). As the situation is constantly evolving, this position could change. As such, some clients are looking to obtain ruling to obtain certainty on senior executives returning to Australia on a temporary basis.
- ▶ The payroll implications of this are contingent on the individual being taxable in Australia and if so, Pay-as-you-go (PAYG) instalments withholding tax should be administered.

Tax compliance changes

- ▶ An automatic extension of the 31 March 2020 filing deadline for 2018/19 tax returns for up to four weeks will be granted, with a further extension to be discussed in April.

Social Security changes

- ▶ Superannuation impacts on non-resident taxpayers returning to Australia are currently unclear and need to be explored as no guidance has been issued due to COVID-19.

Other major changes

- ▶ Effective 9 pm AEDT on 20 March 2020, only Australian Citizens, Residents and immediate family will be allowed to travel to Australia. It applies to all people who are non-citizens and non-residents such as temporary visa holders and visitor visa holders. Australian passport holders and permanent residents will still be able to return from overseas but they will be required to self-isolate for 14 days.
- ▶ Other employment tax implications should be considered (i.e., Fringe Benefits Tax, Payroll Tax and Workers Compensation).

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Deferral of tax payments of payments in instalments can be applied for, no interest will be charged, still requires reporting and requires a formal application.

Social Security changes

- ▶ Outstanding social security payments will not be urged by the social security carrier. Extensions of taxes not paid in time or paid partly will be granted automatically by the social security carrier.
- ▶ Informal payment of contributions instalments are possible.
- ▶ Neither requests for collection nor bankruptcy filing will currently be introduced by the social security carrier.

Other major changes

- ▶ New "Corona short-term work model": reduction of working hours of the employees without having to terminate the employment relationships and where the lost working time (hence the reduced hours) is compensated by the Public Employment Service Austria (AMS) by means of a short-time work allowance.
- ▶ Net remuneration guarantee for the employee: Depending on their gross wage, the amount of the compensation to employees is likely to range between 80% - 90% of the employee's net remuneration before short-term work. Additional costs (up to the monthly social security cap of EUR 5,370) are covered by the Public Employment Service Austria (AMS) and not the employer.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ In the exceptional health context of the COVID-19 epidemic and taking into account the recommendations and instructions of the public authorities, France has agreed with Belgium and Switzerland that, until further notice, the days during which frontier workers are required to remain at home during this crisis should not be taken into account in counting the number of days referred to above. Consequently, these days will not affect the eligibility of cross-border workers for the specific tax regime.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19, however e-filing is possible

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Possible amendments to Immigration and labor regulations to be communicated.

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Payroll compliance changes

- ▶ Suspension of the payment of Severance Fund for three months - corresponding payments to be made as from July, in six installments.

Tax compliance changes

- ▶ Brazilian Central Bank has postponed the delivery of the Brazilian Central Bank Declaration, the new due date will be 1 June 2020.
- ▶ For Income Tax Return, the Tax Authorities have not changed the due date of 30 June 2020.

Social Security changes

- ▶ Reduction in 50% of determined contributions due to social services (also called "S" System) for three months.

Other major changes

- ▶ New and more flexible rules applicable to:
 - ▶ Vacation (individual and collective)
 - ▶ Home office
 - ▶ Anticipation of rest due to holidays
 - ▶ Overtime bank of hours for compensation after the calamity period ends
 - ▶ Suspension of the need to perform some occupational medical exams
 - ▶ Due to the configuration of "compelling reasons", it is possible to reduce salary and work shift proportionally in up to 25% through negotiation between employer and employee.

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Payroll compliance changes

- ▶ The employers may give up to half of the paid leave of the employees without their consent. In case the business activity of the employer has been suspended the employer may give all the paid leave of the employees.
- ▶ In case the business activity of the employer is suspended by internal resolution, the employees should continue receiving their salary in full amount. The validity of medical decisions confirming temporary disability may be extended until the end of May.

Tax compliance changes

- ▶ Personal Income Tax Return deadline (30/04) is still maintained, except for agriculture self-employed people and people registered as merchants (30/06)

Social Security changes

- ▶ The Bulgarian state social security funds will pay 60% of their income for social security purposes if certain requirements are completed by the employer.

Other major changes

- ▶ The employers in Bulgaria are obliged to implement working from home for their employees, if possible.
- ▶ The validity of the Bulgarian ID documents is extended with six months, the residence certificates of EU citizens and residence permits (permanent and long-term residence) for third country nationals included.
- ▶ Third-country nationals with prolonged residence permits expiring during the emergency situation may request extension in 14-days term after the emergency situation and their stay will be considered uninterrupted.

Payroll compliance changes

- ▶ In order to prevent employee lay-offs, the Federal government has introduced a program where they will subsidize 75% of the wages up to a maximum of USD 847 per week for a period of three months. Employers are strongly encouraged to top up the balance 25% of the wages to pay the impacted employees.
- ▶ This Wage subsidy applies to small, medium, large companies and charities who can demonstrate a 15% decline in Revenues for March and a 30% decline in Revenues for April and May 2020. The decline in Revenues can be in comparison to the same month in the previous year or the average of January and February 2020.
- ▶ There are various eligibility criteria and safe guards that employers need to be aware of.

Tax compliance changes

- ▶ The Canadian Federal and Quebec tax filing deadline has been extended.
- ▶ Canadian Federal - Tax return filing due date has been extended from 30 April 2020 to 1 June 2020.
- ▶ The Canada Revenue Agency will allow all taxpayers to defer, until September 1 2020 the payment of any income tax amounts that become owing on or after today and before September 1 2020. This relief would apply to tax balances due, as well as instalments. No interest or penalties will accumulate on these amounts during this period.
- ▶ Quebec - Tax return filing due date has been extended from April 30 2020 to June 1 2020.
- ▶ The Quebec taxes that is owed (including tax instalments) has a revised due date of September 1 2020 (this was previously noted as August 1 2020 but has been aligned with the Federal government to be September 1 2020).

Social Security changes

- ▶ There have not been any changes to existing Social Security matters as of 20 March 2020.

Other major changes

- ▶ Travel restrictions are changing rapidly. Currently Canadians have been advised to avoid non-essential travel outside Canada until further notice.
- ▶ Avoid all cruise ship travel due to COVID-19.

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Payroll compliance changes

- ▶ There are other stimulus packages that are being introduced both Federally and Provincially that may be relevant to various Canadian clients.

Tax compliance changes

Social Security changes

Other major changes

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Payroll compliance changes

- ▶ The filing deadline of the annual Affidavit by employers to the tax authorities postponed to 27 March 2020. Announcements were made on 20 March 2020 in relation to some relief measures geared mostly to small and medium size companies, which includes partial coverage of monthly income with unemployment insurance funds for cases where services cannot be provided remotely. However, this did not include any exemptions or special rules for payroll in general.

Tax compliance changes

- ▶ Personal Income Tax Return deadline (30/04) is still maintained, although the authorities are considering extensions.

Social Security changes

- ▶ No special measures have been implemented in relation to the contributions to be paid.
- ▶ Mandatory medical leave is for 14 days is issued to people traveling from countries with outbreaks, or exposed to people known to have the virus.

Other major changes

- ▶ Chilean Government has declared State of Exception for Catastrophe. Based on this, it can determine restrictions to activities, services and further actions. Government has already announced shopping centers, schools, and all places where more than 50 people may gather are to remain closed. There is also travel prohibitions, and foreign tourists cannot enter Chile.
- ▶ Home office, where possible, is being encouraged and restrictions on transportation and gatherings may be imposed.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Monthly tax filing deadline has been extended.
- ▶ Individual Income Tax (IIT) exemption on additional allowance and bonus for medical staffs and qualifying personnel who has been involved in COVID-19 prevention, treatment and or handling related emergencies.
- ▶ IIT exemption on medicines, medical supplies and protective equipment provided from enterprises to employees.
- ▶ Qualifying donations are allowed as deductions in full for IIT.

Social Security changes

- ▶ Certain social Insurance could be reduced by half for large enterprises and exemption for small and medium-sized enterprises from February to April 2020.
- ▶ Enterprises with serious difficulties in production and operation affected by the epidemic situation may apply for extension.

Other major changes

- ▶ Mainland China closed its borders to most foreigners effective 28 March 2020. This includes foreign nationals holding visas, residence permits and APEC Business Travel Cards. Different types of port visas and visa free policy are suspended.
- ▶ The travel ban does not apply to permanent residents, holders of diplomatic/service/courtesy/C visa, or Hong Kong, Macau or Taiwan residents who enter with a mainland China travel permit.
- ▶ Foreign nationals entering for necessary economic, trade, scientific, technology and emergency humanitarian reasons, as well as those entering to attend funerals of loved ones, may apply for entry visas at embassies and consulates, and these requests will be adjudicated on a case by case basis.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ All passengers entering/departing mainland China are required to make a health declaration and undergo stringent checks by immigration clearance officers at checkpoints.
- ▶ Inbound flights schedules have been cut (one flight a week, per airline per foreign country and passengers loads are restricted to 75%). International flights to Beijing must enter via one of 12 designated point of entry.
- ▶ All overseas visitors will undergo a 14-day quarantine. In some locations, e.g. Beijing, Shanghai and Guangdong Province, the quarantine needs to be centralized

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Starting from 8 April 2020, for returning Chinese nationals departing from the 26 countries (Italy, United States, Spain, Germany, Iran, France, South Korea, Switzerland, United Kingdom, Netherlands, Austria, Belgium, Norway, Portugal, Sweden, Australia, Brazil, Turkey, Malaysia, Denmark, Canada, Israel, Czech, Ireland, Philippines, and Thailand) are required to submit online health declaration on a daily basis for the last 14 days before departure. Departure before 22 April 2020 is considered as grace period. Health declaration is required from April 8 till the travel date. Failure to declare health condition daily will result in unable to board, declare untruth information will bear legal consequences.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No Tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Submissions of annual financial statements before Superintendence of Corporations were extended for 15 days and annual renewal before Chamber of Commerce is extended to 3 July 2020.
- ▶ Annual corporate income tax submissions were extended for one week.

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Payroll compliance changes

- ▶ Costa Rican deputies approved the bill presented by the Ministry of Work that will allow employers whose businesses are suffering a substantial reduction of their income to bring down their employees' workdays by as much as 50%.
- ▶ The bill would allow employers to bring down the number of hours worked by some or all employees by as much as 50% in the case of companies that have experienced a decrease in their income of at least 20%, in the case of companies that see their income reduced by as much as 60% they can bring down the workday as much as 75%.
- ▶ This measure can be applied for a period of three months but can be extended for two additional periods for a maximum of 9 months. Once the company's conditions go back to normal the employees can resume their work under the original contract.

Tax compliance changes

- ▶ Only for companies, the tax related to salaries remain the same.

Social Security changes

- ▶ Reduction of the minimum tax base on 25%. This is related to the employer contribution, for the employees remain the same.
- ▶ Inclusion of new type of sick leave related to the people that could have had any relation with a positive case of COVID-19 that needs to be in quarantine.
- ▶ Also the INS (Labor risk insurance) will cover the sick leave in case that the case were on the Job.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Currently being discussed, potential extension of tax payment deadlines.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No payroll services provided by EY.

Tax compliance changes

- ▶ Authorities have limited the access to banks and tax authorities have informed the population that the deadline for paying personal taxes will be extended until such time as the banks resume their normal operations.

Social Security changes

- ▶ No changes in Social Security. Foreigners are not entitled to social security in Cuba, and Cuban nationals cannot be employed directly by a Foreign Corporation.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Fines for late filing of the tax return and late payment of the tax liability waived until 1 July 2020 (original deadline of 1 April 2020 is still valid).

Social Security changes

- ▶ Currently being discussed- special benefit for parents of children up to 10 years who need to stay at home with them.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The reduced General Healthcare System contribution rates, on collections which are managed by the Tax Department, will apply for three additional months.

Social Security changes

- ▶ The reduced General Healthcare System contribution rates, on collections which are managed by the Social Insurance Department, will apply for three additional months.
- ▶ Extension for February's social insurance liabilities until 14 April 2020 (initial deadline was 31 March 2020).
- ▶ Individuals and companies who have regulated the payment of their overdue social contributions in instalments, can defer relevant payments that are due for the months of March and April 2020 by extending the agreed repayment period by two months.

Other major changes

- ▶ The following measures have been announced which will affect the payroll:
 - ▶ Special sickness allowance
 - ▶ Special leave allowance for parents
 - ▶ Work suspension plans (fully or partly) which will provide special unemployment allowance

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ The social security authorities has announced that temporary work at home in Denmark or another country does not affect the social security status. i.e., Danish social security can be kept and social security contributions to the home country can be avoided. Germany and Sweden has announced their support. No A1 certificate has to be filled unless the social security in the home country asks for it. An expansion of work in Denmark above 25% of the work time will also not trigger another social security status. For employees on assignment outside Denmark, a new A1 certificate must be applied for, if work is performed in Denmark for a period above two months.

Other major changes

- ▶ Significant company and employee support packages have been issued.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The payment of the Annual Income Tax (ISR) that must be made in April by all companies that close the fiscal year in December will be allowed to be divided into four payments.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The Government established a curfew throughout the national territory, prohibiting the transit and movement of people from 8 pm. to 6 am. from 20 March 2020 to 3 April 2020.

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Payroll compliance changes

- ▶ Suspension, reduction and amendment of the working day.
- ▶ Implementation of teleworking.

Tax compliance changes

- ▶ Tax payments to be performed for April, May and June will be deferred in six months. Removal of tax fees over medicines to be used during the emergency. Suspension of all deadlines and terms of all tax administrative processes and deadlines of collection actions from 16 March 2020 to 31 March 2020.

Social Security changes

- ▶ Unsecured loans provided by the Social Security Entity will be granted with lower interest rates and three month grace period.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Draft suspension of the law on fiscal responsibility for the emergency. The aforementioned Project seeks to temporarily suspend, for the duration of the effect of the national emergency due to the COVID-19 pandemic, the Fiscal Responsibility Law for the Sustainability of Public Finances and Social Development, and consequently, the application of the parameters and fiscal goals required in said Law.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Close of several entities and public places. Hold up the payments for public services during three months.

Payroll compliance changes

- ▶ The Unemployment Insurance Fund will pay temporary subsidies of up to 70% of the wage (maximum of EUR 1000) to those employees whose employers are significantly impacted by the current circumstances. The subsidy is treated as a wage paid to an employee by the Unemployment Insurance Fund on behalf of the employer. In addition to the subsidy, an employer is required to pay a wage of at least EUR 150 to an employee.

Tax compliance changes

- ▶ The tax authorities have suspended the calculation of default interest on tax debt with retroactive effect from 1 March 2020 until the end of emergency situation.
- ▶ From 1 May 2020 the applicable interest rates are reduced from 0.06 per cent (per day) to 0.03 percent for an indefinite period. The interest rates can be reduced up to 100 per cent (current possible reduction is 50 per cent) in case the tax authority and taxpayer agree on the payment of tax arrears in installments.

Social Security changes

- ▶ Social tax is payable based on actual salary amount and minimum social tax obligation of employer is waived for March to May 2020. Advance social security contributions of private entrepreneurs for 2020 first quarter are paid by the state. In case the private entrepreneur has already paid the tax himself, the funds can be used to cover other taxes.

Other major changes

- ▶ The tax authorities have stopped the issuance of debtors' mass information through the deb inquiry and do not publish an analysis of taxes, turnover and staff numbers on its website. The service bureaus of the Estonian Tax and Customs Board are closed initially until 12 April 2020. All the electronic channels and information phones continue to operate.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The tax authorities have published guidance on 3 March 2020 on how the six month tax exemption rule related to assignment and other cross-border situations will be interpreted in situations where an individual is supposed to work in areas affected by COVID-19, but has temporarily returned to Finland.
- ▶ The position adopted in the guidance regarding whether salary can remain exempt from Finnish tax under such circumstances is strict and the guidance has not since been updated to take into account recent developments. A case-by-case analysis of the aforementioned situation is required.

Social Security changes

- ▶ The government has stated that the Ministry of Social Affairs and Health will be issuing a decision, which extends deadlines for paying statutory pension insurance contributions by up to three months and partially waives the interest due on such payments.

Other major changes

- ▶ No other update has been issued due to COVID-19.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ In the exceptional health context of the COVID-19 epidemic and taking into account the recommendations and instructions of the public authorities, France has agreed with Belgium and Switzerland that, until further notice, the days during which frontier workers are required to remain at home during this crisis should not be taken into account in counting the number of days referred to above. Consequently, these days will not affect the eligibility of cross-border workers for the specific tax regime.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Filing extension for Income Tax Return is on the table.

Payroll compliance changes

- ▶ The company should not distribute any dividends during 2020 and provide bonuses or other awards to its employees and members of the management and supervisory boards.
- ▶ The number of employees as it stands as at the date of enforcement of the regulation should not be reduced until September 2020.
- ▶ The taxpayer's total revenue is reduced for at least 30% in comparison with the average revenue in the previous year.

Tax compliance changes

- ▶ Direct financial support to micro, small and medium-sized companies by the Development Bank of North Macedonia for a total amount of EUR 8 million in the form of 0% interest rate loans. The financing has maturity of 36 months with a 12-month grace period.
- ▶ Each company, depending on the number of employees, can receive zero interest loans from EUR 3 thousand to EUR 90 thousand.
- ▶ Among the other documents, the companies should have a promissory note given by one of the founders of the company in a form of a notary act and with enforcement clause.

Social Security changes

- ▶ The companies may apply for financial support for salaries for April and May. The maximum amount of the financial aid per employee is MKD 14.500 (approx. EUR 236) or 50% of the social security contributions provided that the following conditions are met.

Other major changes

- ▶ The validity of work permits and residence permits of foreigners is extended until 18 April 2020.
- ▶ Entry to the country is limited only to Macedonian citizens, diplomats and individuals that have obtained special approval issued by the Ministry of Internal Affairs. If any with a permanent residency exit the country it cannot re-enter the country again, unless he/she has an approval issued by the Ministry of Internal Affairs that the country has an economic or other interest for the individual to enter the country.
- ▶ Anyone entering North Macedonia is a subject to a state quarantine in a period of 14 days.

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Payroll compliance changes

- ▶ The employee for which the financial support is requested should not have received a net salary that exceeds the amount of MKD 39.900 (approx. EUR 649) in December 2019 and January and February 2020.
- ▶ The average amount of the highest net salaries of 10% of the employees of the applicant for the financial aid should not exceed the amount of MKD 120.000 (approx. EUR 2000).
- ▶ The companies that will be entitled to this financial support will not be obliged to return the financial support provided that they declare loss for 2020. In contrary, the companies that will have profit in 2020 will be obliged to return the financial support up to the amount of 50% of the profit.

Tax compliance changes

Social Security changes

Other major changes

Payroll compliance changes

- ▶ Short-time allowance can be applied for employees by employers.

Tax compliance changes

- ▶ Application to postpone tax payments - awaiting official communication.

Social Security changes

- ▶ A simplified application for postponing social security contributions is currently under discussion.

Other major changes

- ▶ Financial assistance measures for small companies and self-employed.
- ▶ Short-time allowance can be applied for employees by employers.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The annual individual tax filing deadline may be extended only after applying to the Commission general to do so. This application must be filed with Capital Gains before the filing deadline and the maximum extension that can be granted is 60 days (2 months) after the filing deadline.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ The government request that IGSS (Instituto Guatemalteco de Seguridad Social - Guatemalan Institute of Social Security), INTECAP (Instituto Técnico de Capacitación y Productividad - Technical Institute for Training and Productivity) and IRTRA (Instituto de Recreación de los Trabajadores de la Empresa Privada de Guatemala - Sports City), accept payment of employer fees deferred for the next three months.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Tax institution (SAR) communicates extension of deadlines for the presentation of certain declarations and the deadline for issuing tax documents.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Inland Revenue Department announced 9 April 2020 that if taxpayers for salaries tax, personal assessment and profits tax have already settled the first payment in accordance with the demand note for the year of assessment 2018/19, the deadline for the second payment is automatically extended for three months from the date specified on the demand note. The above relief measure is not applicable to taxpayers who have to settle their tax liabilities before departing Hong Kong, taxpayers paying property tax and taxpayers who have been approved to pay their taxes by instalments.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The Government announced on 23 March 2020 that it will ban non-Hong Kong residents coming from overseas countries or territories arriving at the airport from entering Hong Kong for 14 days starting from 25 March 2020.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Chief Executive announced 8 April 2020 that to ease the financial burden and cash flow of businesses and individuals arising from COVID-19, tax payment deadlines for salaries tax, personal assessment and profits tax demand notes for the year of assessment 2018/19 which fall between April to June of this year are automatically extended by three months.
- ▶ The Inland Revenue Department announced 4 April 2020 that in view of the latest situation of COVID-19, deadlines for tax payments and lodgement of objections and holdover applications as well as submission of tax returns and information that fall between 23 March 2020 and 2 May 2020 are automatically extended to 4 May 2020.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The Government announced on 23 March 2020 that it will ban non-Hong Kong residents coming from overseas countries or territories arriving at the airport from entering Hong Kong for 14 days starting from 25 March 2020.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Inland Revenue Department announced 22 March 2020 that from 23 March 2020 it will suspend the provision of all of its services, except for enquiries relating to tax clearance, business registration and stamp office.
- ▶ Deadlines for tax payments, lodgement of objections and holdover applications as well as submission of tax returns and information that fall between 23 March and 3 April 2020 will be automatically extended to 6 April 2020.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The Government announced on 23 March 2020 that it will ban non-Hong Kong residents coming from overseas countries or territories arriving at the airport from entering Hong Kong for 14 days starting from 25 March 2020.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No Tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The due date for filing of the belated and revised income-tax returns for financial year 2018-19 has been extended from 31 March 2020 to 30 June 2020.
- ▶ Aadhaar-Permanent Account Number (PAN) linking has been extended from 31 March 2020 to 30 June 2020. Thus, PAN shall not be treated as inoperative till 30 June 2020, even if not linked with Aadhaar.
- ▶ Due dates for filing of appeal or furnishing of return and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or roll over capital gains benefits where the time limit expires between 20 March 2020 to 29 June 2020 under various direct tax laws has been extended to 30 June 2020.

Social Security changes

- ▶ Subject to conditions, a non-refundable advance from the Provident Fund account of members may be granted not exceeding the basic wages and dearness allowances of that member for three months or up to 75% of the amount standing to the credit of the member in the Fund, whichever is less.
- ▶ Government of India will pay the Provident Fund contribution of employer and employee for next three months for those establishments who have less than or equal to 100 employees and 90% of those employees are earning less than INR 15,000 per month.

Other major changes

- ▶ Indian Government has been issuing various travel advisories and immigration restrictions.
- ▶ Certain local authorities have also issued guidelines in relation to work from home for employees.

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Payroll compliance changes

Tax compliance changes

- ▶ Interest rate on the delayed payments of advance tax/ self-assessment tax/ regular tax etc. made between 20 March 2020 to 30 June 2020 has been reduced from 12%/ 18% to 9% per annum (i.e., 0.75% per month instead of 1%/ 1.5% per month). Also, no late fee/ penalty shall be charged for delay relating to this period.

Social Security changes

- ▶ There have been no Social Security changes introduced in India on account of COVID-19, however, since the residential status for India tax purposes is based on physical presence in India during a tax year, the travel restrictions etc. may impact the residential status and taxability of Individuals in India.

Other major changes

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Payroll compliance changes

- ▶ Payroll tax for employee of organizations in certain industries with certain levels of income will be borne by the Government for 6 months period starting from April 2020. However, this is currently only in discussion and yet to be enacted.

Tax compliance changes

- ▶ Due date to file Indonesian tax returns has been extended to 30 April 2020.
- ▶ Late payment and filing of individual tax returns from 1 April 2020 to 15 April 2020 are exempt from penalty.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Effective from 16 March 2020, all travelers entering Singapore with recent travel history to ASEAN countries (Indonesia, Thailand, Singapore, Malaysia, Philippines, Vietnam, Brunei, Cambodia, Laos, Myanmar (Burma) within the last 14 days will be issued with a 14-day Stay-Home Notice (SHN). There is an additional policy which was announced by Indonesia government which has banned visitors/travelers who have travelled to the following countries in the last 14 days:
 - ▶ Iran
 - ▶ Italy
 - ▶ Vatican
 - ▶ Spain
 - ▶ France
 - ▶ German
 - ▶ Switzerland
 - ▶ United Kingdom

Payroll compliance changes

- ▶ The Department of Employment Affairs and Social Protection has introduced a refund scheme for employers. Under an arrangement developed with Revenue, employers who have to temporarily lay-off staff and who are not in a position to make any wage payment to them, are asked to keep their employees on the payroll and pay them an amount of euro203 - the equivalent of the COVID-19 Support Payment. The payment is not subject to tax, Pay Related Social Insurance (PRSI) or Universal Social Charge (USC).

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The Revenue Commissioners are currently updating their manual for e-workers. Currently e-Workers will incur certain expenditure in the performance of their duties from home, such as additional heating and electricity costs. The Revenue Commissioners allow an employer to make payments up to €3.20 per day to employees who satisfy the conditions for the relief, without deducting Pay As You Earn (PAYE), Pay Related Social Insurance (PRSI) or Universal Social Charge (USC).
- ▶ Amounts in excess of €3.20 paid by the employer should be subjected to tax. Records of payments made must be retained by the employer for the purpose of any potential future Revenue Commissioners compliance intervention.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Corporate and individual returns with extension up to 30 June 2020 for hard copy and 30 July 2020 for electronic filing.

Social Security changes

- ▶ Postponement of April payments and allowing to pay it in portions instead of at once. No collection procedures and foreclosure steps will be implemented.

Other major changes

- ▶ Government loans for small and medium size businesses are now available.
- ▶ Value added tax(VAT)- February reporting and payment is postponed: monthly reporting moved to 26 March 2020 and bi-monthly to 27 April 2020.

Payroll compliance changes

- ▶ On 17 March 2020, the Italian Government passed the so called Cure Italy decree which provides new measures to support the Italian economy, financing the family, the workers and the entrepreneurs due to the COVID-19 crisis. In detail, the Decree introduces the following from a Payroll perspective- For employers with revenues of more than 2M Euros, the withholding tax and social contributions payments deadline of 16 March 2020 is postponed to 20 March 2020.

Tax compliance changes

- ▶ The Cure Italy Decree introduces the following changes from Tax perspective:
 - ▶ The payment deadline expiring between 8 March 2020 to 31 May 2020 related to the tax bills notified by the Tax Authorities is postponed to 30 June 2020.
 - ▶ The activities of the Italian Tax Authorities for the period 8 March 2020 to 31 May 2020 are suspended.
 - ▶ The ordinary statute of limitation (31 December 2020) applied to the activities performed by the Italian Tax Authorities (Agenzia delle Entrate) and/or by the Italian public entity responsible for collection of taxes (Agenzia delle Entrate-Riscossione) is extended for 2 years (31 December 2022).
 - ▶ The simplified tax return deadline (Form 730) is postponed from 23 July 2020 to 30 September 2020.

Social Security changes

- ▶ No social security update has been issued due to COVID-19.

Other major changes

- ▶ Several allowances have been introduced for categories of employees unable to work due to the lockdown:
 - ▶ Up to 9 weeks allowance for employees subject to working hours reduction.
 - ▶ Termination of employees is stopped for 60 days.
 - ▶ Additional parental leave for 15 days is introduced due to the closing of schools, alternatively a babysitting bonus can be applied for.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Due date to file Japanese tax returns, assets reports and payment by payment slip extended to 16 April 2020. Extended to 15 May 2020 when payment made by direct debit.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No Tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The law allows for application of extension but this is subject to approval by the Commissioner.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The due date for paying Korea income and local income taxes extended to 31 August 2020 while due date for filing Korean tax return remains 1 June 2020 without extension.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ All Chinese nationals whose passports were issued in Hubei province and all foreigners who have travelled to Hubei in the past 14 days are barred from entry into South Korea.
- ▶ Visa issuance for foreigners from mainland China have been restricted.
- ▶ Visa-free-policy for Chinese nationals for transit South Korea has been suspended.
- ▶ The Special Entry Procedure will apply to All travelers entering South Korea from 22 March 2020. All entrants will be required to get fever checks, submit papers on their health conditions and provide a phone number and residence address to the health authorities at the airports. They will also be required to download a self-diagnosis smartphone app to submit self-diagnosis results for 14 days and to be placed under intensive care if they show symptoms.
- ▶ The visa waiver program for Japan nationals is suspended.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ In addition, all travelers arriving from Europe will be subject to testing for COVID-19 and will have to wait at facilities until the test results are available. This may take 1 day. Regardless, all Koreans and long term stay foreign nationals arriving from Europe will be required to self-quarantine at their homes or at state-run facilities for 14 days thereafter. Short-term travelers will come under “active” monitoring through a mobile application, with authorities checking on their health condition by phone on a daily basis.
- ▶ Any permits (short term or long term) already issued to Japan nationals are no longer valid except for alien registration /residential card holders. Visa issuance for foreigners from Japan requires document, health check declaration.
- ▶ The on-going visa application process for Japanese are held or cancelled so new application is required.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Effective from 9 April 2020, by immigration office's authority, the long term permit holders whose current permit expire by or before 31 May 2020 will be granted an automatic extension of three months in order to prevent from the spread of coronavirus following the intensive social distance guidelines. However, this new announcement will not have impact on the following foreigners:
 - ▶ Those who already submitted the visa extension application
 - ▶ Those who are not currently staying in Korea
 - ▶ Those who are delinquent in paying their taxes

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Effective from 13 April 2020, any short term visit visa (C-3) issued on or prior to 5 April 2020 is no longer valid.
- If it was issued but yet to enter Korea, the assignee should process for new application.
- ❖ Confirmation of health check from local hospital is required as a mandatory and additional document.
- ❖ Interview with each applicant is required so the submission by third person is not allowed.
- ❖ Depending on the cases, the consulate officer may request additional documents to prove the urgency and necessity of the business travel.
- ❖ The application fee for re-applying would be exempted.
- If the assignee has already entered with this visa and is currently in Korea, the assignee can stay until the visa expiry date.

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Payroll compliance changes

Tax compliance changes

Social Security changes

Other major changes

- ▶ Effective 13 April 2020, suspension of visa-free entry and visa waiver program is applied to all of those countries who ban Korean nationals. Visa-free entry and visa waiver program are still valid for the below nationals: United States, United Kingdom, Mexico, Ireland, and Slovenia.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No Tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Annual 2019 filing deadline moved from 1 May 2020 to 1 July 2020.

Social Security changes

- ▶ No Payroll update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Two month extended grace period for individuals to electronically file their 2019 income tax returns. This implies that the due date to file Malaysian tax return has been extended to 30 June 2020 (for individuals without business income) and to 31 August 2020 (for individuals with business income).

Social Security changes

- ▶ The minimum Employees Provident Fund (EPF) contribution by employees will be reduced by 4% from 11% to 7%, with effect from 1 April 2020 to 31 December 2020.
- ▶ The Social Security Organization (SOCSO) has introduced an Immediate Financial Assistance of RM600 per month for employees who are required to go on unpaid leave due to COVID-19. Application is required.
- ▶ Option to withdraw RM500 per month from EPF for members aged below 55 years from 1 April 2020 for a year. Application is required.

Other major changes

- ▶ Restriction of Movement Order throughout Malaysia from 18 March 2020 to 31 March 2020 which includes the following measures:
 - ▶ Prohibition on Malaysian citizens and permanent residents from travelling abroad. Malaysian citizens and permanent residents returning from overseas are required to undergo health check and 14 days self-quarantine.
 - ▶ Prohibition on entry of tourists and foreign visitors into Malaysia.

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Payroll compliance changes

- ▶ Labor Law in force states that in the case of a Health Contingency with Activities Suspension Declaration by the competent authority of the Federal Government, it would be a cause for the suspension of the effects of labor relations, in this case, employers will be obliged to pay a compensation to the worker equivalent to a one minimum wage, for each day the suspension lasts, not exceeding one month.
- ▶ Up to date, Health Authority in Mexico has not issued the Health Contingency with Activities Suspension Declaration.

Tax compliance changes

- ▶ Up to date, Federal Government has not announce any Tax Contingency Plan derived from COVID-19.
- ▶ No tax extensions have been announced yet, Federal Tax payments (Income Tax, VAT, Secretaría del Trabajo y Previsión Social - STPS), remain the same due date, the same for the annual tax return corporate and individual value date is until 31 March 2020 and 30 April 2020.
- ▶ No tax incentives have been announce yet, in order to boost the economy during this COVID-19 crisis.

Social Security changes

- ▶ Up to date, no contingency COVID-19 actions in Social Security have been announced yet for employees and employers.

Other major changes

- ▶ Labor Law in force states that in the case of a Health Contingency with Activities Suspension Declaration by the competent authority of the Federal Government, it would be a cause for the suspension of the effects of labor relations, in this case, employers will be obliged to pay a compensation to the worker equivalent to a 1 minimum wage, for each day the suspension lasts, not exceeding one month.
- ▶ Up to date, Health Authority in Mexico has not issued the Health Contingency with Activities Suspension Declaration.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Government is considering not to impose any interest and penalty for late payment of personal income tax if reported. However no update has been issued.

Social Security changes

- ▶ The Government is considering not to impose any interest and penalty for late payment of Social Health insurance if reported. However no update has been issued.

Other major changes

- ▶ Until 30 April 2020, Mongolia has suspended all international travels.
- ▶ If an employee, through no fault of their own, cannot be transferred to another job during a period of idle time with respect to the employer's business, he shall receive compensation in an amount specified in the applicable collective agreement (shall not be less than 60% of his/her base salary).

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Payroll compliance changes

- ▶ While not a tax change, the Government has implemented wage subsidies and sick leave assistance for businesses struggling due to COVID 19.
- ▶ These payments are made to the business to then be passed on to the impacted employees. Payroll should process both payments as taxable salary and wages, and calculate the PAYE, student Loan, Kiwi Saver etc. as appropriate.
- ▶ Wage Subsidy - Available for all employers that are significantly impacted by COVID-19 and are struggling to retain employees as a result. Support will be equal to \$585.80 per week for a full time employee (20 hours or more) or Dollar 350.00 per week for a part time employee (less than 20 hours). The payment will be made as a lump sum for a period covering 12 weeks.

Tax compliance changes

- ▶ The standard filing deadline for taxpayers linked to a tax agent of 31 March 2020 is still applicable. However, there is an ability to request for an extension of the deadline if there is a acceptable reason to require the extension. The request must be submitted to the New Zealand tax authority by 30 March 2020. We note that the ability to request for a deferral is a standard process and is not a process set up as a result of COVID-19.
- ▶ If an individual will have difficulty paying any outstanding terminal tax liabilities, they can apply for instalment arrangements with the New Zealand tax authority. This application should be made prior to the terminal tax due date of 7 April 2020.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Effective 23:59 NZT on 19 March 2020, only New Zealand citizens, permanent residents, residents with valid travel conditions and their immediate family (immediate family must have a valid visa and travel with the New Zealand citizen or resident family member on the same flight to New Zealand) can enter New Zealand. Australian citizens and permanent residents who normally reside in New Zealand can also return to New Zealand.
- ▶ Residual Income Tax (RIT) threshold for tax payers that have to pay provisional tax has increase from Dollar 2,500 to Dollar 5,000. This will reduce the amount of tax payers that need to make provisional tax payments throughout the next 12 months.
- ▶ Tax payers can now claim depreciation on buildings, further reducing tax costs for many tax payers around New Zealand.

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Payroll compliance changes

- ▶ Employers must have suffered or are projected to suffer at least a 30% decline in revenue compared to last year for any month between January 2020 and the end of the scheme in June 2020. Applications can also be made on the basis of forecast revenue loss within the period of the scheme. Employers must undertake that they will continue to employ workers at 80% of remuneration. Must also actively seek private security to mitigate the impact of COVID-19.
- ▶ Sick Leave Assistance- Employers can apply for the leave on behalf of any employee who is self-isolating or sick. Payments can be backdated to 17 March 2020. Affected full time workers (those who work more than 20 hours per week) will receive Dollar 585.80 per week, and part time workers (20 hours or less) Dollar 350 per week. The payment is made by Ministry of Social Development to employers, who will then be required to pass it on to the affected employee.

Tax compliance changes

Social Security changes

Other major changes

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The payment deadline for the first instalment of the advance tax for personal taxpayers on 15 March 2020 is postponed until 1 May 2020. If you have paid the advance tax and you wish to have it refunded, you must contact your local tax collector for a refund.
- ▶ On 27 March 2020, the Government proposed that the second instalment of the advance tax for personal taxpayers also should be postponed, from 15 May 2020 to 15 July 2020.

Social Security changes

- ▶ Employer social security payments due 15 May 2020 postponed. On 27 March 2020, the Norwegian government suggested that the reduction of the employer's national insurance contribution rate (normally 14,1% to 10,1%) should apply for the third payment term due on 15 July 2020, for the months May and June. The decision will be reviewed in more detail before the final proposal are presented in the Revised National Budget 12 May 2020. Government take over payments for temporary lay offs after two days instead of ordinary 15 days.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Only for companies, the tax related to salaries remain the same.

Social Security changes

- ▶ Sick leaves paid through the social security to the people positive of COVID-19.

Other major changes

- ▶ The Ministry of labor set some specifications related to the work like home office, vacation for the people older than 60 years and the ones that have more risk, reduction of working hours.
- ▶ Extends the validity of the work permits issued to foreign workers, which expired from 12 March 2020 until 7 April 2020.
- ▶ Also, filiation, filing, monitoring, marriage interviews, notification, issuance of work permit card will be suspended from 12 March 2020 to 7 April 2020.

Payroll compliance changes

- ▶ Deadlines for compensation-related reporting shall be as indicated below:
 - ▶ Filing/submission of Annual Information Return of Income Taxes Withheld on Compensation and Final Withholding Taxes (BIR Form No. 1604-CF) for CY2019 - 15 May 2020
 - ▶ Submission of Certificate of Compensation Payment (BIR Form No. 2316) for CY2019 - 15 May 2020
 - ▶ E-Filing of 1601C - for eFPS filers (for the month of March 2020)
 - ▶ Group E - 26 May 2020
 - ▶ Group D - 27 May 2020
 - ▶ Group C - 28 May 2020
 - ▶ Group B - 29 May 2020
 - ▶ Group A - 30 May 2020
- ▶ E-Payment/remittance of 1601C - eFPS filers (for the month of March 2020) - 30 May 2020

Tax compliance changes

- ▶ The due date for the filing of the annual income tax return for annual individual tax returns have been extended from 15 April 2020 to 15 May 2020, without any penalty. Venue for the payment has been relaxed to allow payment to banks outside of revenue district where taxpayer is registered. Taxpayers who file their tax returns within the original deadline (15 April 2020) or prior to the extended deadline (previously 15 May 2020) can amend their tax returns at any time on or before the extended due date (30 May 2020):
 - ▶ If Amendment will result in additional tax to be paid - The additional tax will not be subject to penalties (surcharge, interest and compromise penalties) if amendment is done not later than 30 May 2020.

Social Security changes

- ▶ The Social Security System (SSS) issued Circular No. 2020-07 dated 30 March 2020 announcing a moratorium extending the payment for salary loan amortizations, among others, by a maximum of three months for the applicable months of February, March and April 2020, without interest and penalties. No application is required to be filed with SSS. Qualified members will be electronically identified by SSS based on the eligibility of qualifications, who must be residents of the Philippines as of 16 March 2020 based on the SSS Membership database and who have not been granted any final benefit (i.e., total permanent disability or retirement).
- ▶ SSS also issued SSS Circular No. 2020-006 dated 28 March 2020 extending the deadline of remittance of contributions for the months of February, March and April 2020 to be paid on or before 1 June 2020.

Other major changes

- ▶ No other update has been issued due to COVID-19.

Payroll compliance changes

Tax compliance changes

- ▶ If Amendment will result in overpayment of taxes paid, taxpayer can opt to carry over the overpaid tax as credit against the tax due for the same tax type in the succeeding periods' tax returns, aside from filing for claim for refund.

Social Security changes

- ▶ PhilHealth extends the deadline of first quarter 2020 payment of contributions to 30 April 2020 instead of 31 March 2020 without interest. This covers self-employed individuals, Professional Practitioners and Members under Group Enrolment Schemes.
- ▶ The Home Development Mutual Fund or Pag-IBIG Fund issued Pag-IBIG Fund Circular No. 432 dated 27 March 2020 announcing the suspension of Short-term loan (STL) amortization and/or Housing amortization/instalment payments from 16 March 2020 to 15 June 2020 at no additional cost, penalty or additional interest charged to the qualified borrower/buyer subject to eligibility requirements.

Other major changes

Payroll compliance changes

- ▶ Delay in the payment of personal income tax withholdings - At the date of payment of the personal income tax withholdings (among other taxes), the payment can occur through one of the following alternatives:
 - ▶ Immediate payment, as usual
 - ▶ Fractional payment in three instalments, without delay interest or
 - ▶ Fractional payment in six monthly instalments, with delay interest for the last
- ▶ This is available for companies with turnover up to 10 million EUR in 2018 or beginning of activity in 2019. The legislation implementing this measure is yet to be published.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ Impediment to work due to the risk of contagion.
- ▶ Under the terms of Order no. 2875-A/2020, of 3 March 2020, the temporary impediment of beneficiaries to perform their professional activity, recognized by the Health Authority, in the context of risk of contagion by COVID-19 (i.e., prophylactic isolation, commonly referred to as "quarantine") shall have the same treatment as an illness which requires hospitalization.
- ▶ If the employee possesses a notice of prophylactic isolation issued by the Health Authority, he/she is entitled to receive:
 - ▶ (i) An allowance equivalent to the sickness allowance in an amount corresponding to 100% of the reference salary, for the initial 14 days (counted from the first day of the notice of isolation).

Other major changes

- ▶ On 18 March 2020, the Portuguese President has ruled the State of Alarm which has been approved by the Portuguese Parliament. There are several lines of credit to be made available, special rules for current investment projects, flexibility in hiring staff for the health sector, suspension of overtime in the health sector, among other measures. We will update as soon as the measures are published. The following measures were approved on 15 March 2020:
 - ▶ (a) Extraordinary support measure for the preservation of employment contracts, with or without training, in business crisis situations
 - ▶ (b) Extraordinary training plan
 - ▶ (c) Extraordinary financial incentive to support the normalization of the company's activity, and

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Other major changes

- ▶ (ii) An allowance between 55% and 75% of the reference salary in the subsequent periods (although prophylactic isolation, as a general rule, does not exceed 14 days). This benefit is not applicable to employees who are able to perform their duties through teleworking or distance learning. The payment of this allowance is not subject to a guarantee period, job index or waiting period.
- ▶ Closing of Schools - right of the employees who have to stay at home to take care of the children:
 - ▶ (i) Absences shall be deemed justified for employees who have to stay at home with children under 12 years of age, or, regardless of their age, if they have a disability or chronic disease, due to the closing of schools (in case employees cannot resort to teleworking)

- ▶ (d) Temporary exemption from the payment of Social Security contributions by the employer.

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- ▶ (ii) In this case, exceptional financial support will be granted to employees in the amount of two thirds of the base salary. This amount will be supported by the employer and Social Security in equal parts, i.e., nearly 33% by the employer and 33% by Social Security
- ▶ (iii) This financial support has a maximum limit of EUR 635 (national minimum salary for the mainland)
- ▶ The exceptional financial support is liable to Social Security Contributions at the rate of 11%, borne by employee (which shall be withhold and deducted by the employer), and 50% of the employer's contribution.
- ▶ For companies up to 50 employees it is foreseen the reduction to 1/3 of the amount of the social security contributions for the months of March, April and May 2020, and the remaining of April, May and June contributions will be paid in the third quarter of 2020.

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Other major changes

- ▶ In case of companies up to 250 employees, they can benefit from the same measure if there is a reduction in the turnover of 20% or more. The legislation implementing this measure is yet to be approved.
- ▶ The deadline for payment of the February Social Security Contributions (20 March 2019) has been postponed.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Due to the COVID-19 the Puerto Rico Treasury Department (PRTD) along with other governmental agencies postponed the due dates in order to file their respective tax returns. Due date for the individual tax return was postponed to 15 July 2020 parallel to US individual tax returns.
- ▶ Apart from the postponing of due dates the Puerto Rico Treasury Department along with the US Federal Government are offering some benefits to the taxpayers (Individuals and Corporations) in order to mitigate as possible the impact of the COVID-19. Puerto Rico is will include the tax alerts they have worked on such topic.

Social Security changes

- ▶ Puerto Rico is a territory of the United States and contributes to the same Social Security system as in United States. Therefore, any change that make the IRS will impact Puerto Rico in the same manner.

Other major changes

- ▶ Apart from the postponement of the due dates from filing tax returns and a mandatory lockdown of the island, the government will stabilize other type of incentives due to the emergency of COVID-19 to incentivize the cash flow of the taxpayers.
- ▶ Estimated Tax Payments: Any company or individual required to make estimated tax payments the Puerto Rico Treasury Department (PRTD) will not impose penalties for not making the Q1 and Q2 payments. However, the taxpayer must make sure that the Q3 and Q4 estimated tax payment includes the amounts to be paid with Q1 and Q2.
- ▶ Withholding at source: For the period from 23 March 2020 through 30 June 2020 any withholding agent is not required to make withholding at source (either 10%, 6% or 4%) to any service provider.

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- ▶ However, this exemption period does not exempt the taxpayer to pay taxes for the amount earned during such period. In addition, every individual taxpayer that opt for the optional calculation in their personal tax return must ensure to pay the required tax on or before the last quarter of tax year 2020.
- ▶ Sales and Use Tax: For the period from 6 April 2020 through 30 June 2020 the taxpayers can acquired taxable items exempt from the required sales and use tax.
- ▶ Income Tax Overpayment: Any taxpayer that has requested any overpayment from income tax purposes to be refunded and as of today have not received such refund, upon request of the taxpayer, the same can be applied to other type of debt within the PRTD system.

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Other major changes

- ▶ **Payment Plan:** For tax year 2019 any taxpayer that as of today haven't filed income tax extension and will have a tax due with the income tax return can apply for a payment plan with the Puerto Rico Treasury Department (PRTD). The payment plan will consist that the taxpayer compromise to pay the whole amount due on a monthly basis on or before 31 March, 2021. Once the taxpayer satisfies the tax liability the Puerto Rico Treasury Department (PRTD) automatically will remove any interest, surcharge and penalty that the system automatically assess.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The deadline for filing the relevant tax returns is postponed from 25 March 2020 to 25 April 2020.
- ▶ No interest and late payment penalties will be calculated for tax liabilities due and unpaid (applicable during the period in which Romania has declared a state of emergency and for a period of 30 days from the end of this state). These tax liabilities will not be considered as outstanding.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ New law granting parents free days for the supervision of children, during temporary closure of schools. During the time that the employee stays at home, he/she shall be entitled to an allowance of 75% of their salary but not more than 75% of the average gross salary in Romania.
- ▶ Suspension or, as the case may be, non-commencement of the forced execution of the budgetary debts (applicable during the period in which Romania has declared a state of emergency and for a period of 30 days from the end of this state). Suspension of tax audits (tax inspections, anti-fraud controls), except for checks that may be performed remotely, as well as tax evasion cases, where there are indications in this regard (applicable during the period in which Romania has declared a state of emergency and for a period of 30 days from the end of this state).

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Payroll compliance changes

- ▶ The deadlines for submission of statutory employment tax reports which submission deadline falls on March to May 2020 are prolonged for three months. The prolongation covers Q1 personal income tax report (form 6-NDFL).
- ▶ New deadline for submission of the report is 31 July 2020.

Tax compliance changes

- ▶ The deadline for submission of personal income tax return (form 3-NDFL) is prolonged for three months. New submission deadline is 31 July 2020. With that, it is important to mention that the personal income tax payment deadline is not prolonged and is still 15 July 2020.

Social Security changes

- ▶ The deadlines for submission of statutory employment tax reports which submission deadline falls on March to May 2020 are prolonged for three months. The prolongation covers Q1 report on accrued insurance contributions.
- ▶ New deadline for submission of these reports is 31 July 2020.

Other major changes

- ▶ Russian Government has introduced additional measures aimed at improvement of sustainability of economy. In particular, reduced rates of insurance contributions are introduced for SME (which were registered as such as of 1 March 2020) which belong to the sectors approved to be qualified as significantly suffered from the COVID-19. The new rates will be reduced from 30% to 15% applied to amounts of salary exceeding the federal minimum wage. These SME are also entitled to prolongation of employment tax payment deadlines (personal income tax and insurance contributions) - six months prolongation for Q1 and four months prolongation for Q2 2020. Additional measures are introduced for all other types of entities, which can claim employment tax payment delay provided that it will be able to justify that revenue, employment rate, etc, has dropped down to certain % as a result of COVID-19 outbreak.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ The tax authority are not accepting physical letters and at the moment for some services you must request an appointment before visiting the offices.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Singaporean/SPR employees exercising overseas employment and now working remotely from Singapore for that employment.
- ▶ Days in Singapore working remotely for the overseas employment will not be considered as employment days in Singapore for the period from date of return to Singapore up to 30 September 2020*, provided that the following conditions are met:
 1. There are no changes in the contractual terms governing the employment overseas before and after the employee's return to Singapore; and
 2. This is a temporary work arrangement due to COVID-19 situation

Social Security changes

- ▶ CPF treatment on cash reimbursements given due to COVID-19 measures.
- ▶ CPF contributions are not required on any cash payments made for defraying the employees' meal, lodging or utility expenses if:
 - ▶ The payment is provided in the form of reimbursement based on actual expenditure of which proof must be shown;
 - ▶ The reimbursement does not increase the employees' wages; and
 - ▶ The employees are only entitled to such reimbursements based on their continued attendance at employment and work in Singapore of which transport, meal, lodging and utility expenses would be incurred due to the COVID-19 measures such as lockdown, Work from Home, Leave of Absence or relocation to other site (not normal place of work).

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Other major changes

- ▶ If the conditions are met, the income attributable to the period of extended stay in Singapore will not be taxed. Otherwise, if any of the conditions are not met, the tax rules outlined under “Current tax treatment” will apply to determine taxation for the period of extended stay. In addition, the tax rules will apply as per normal in respect of the income earned during the short-term assignment period.
- ▶ Deferral payment option:
 - ▶ Lump sum payment: Due date for tax payment will be deferred by 3 months. For example, if the current due date for tax payment is 15 May 2020, tax payment will be deferred to 15 August 2020
 - ▶ GIRO: The instalment cycle will run from August 2020 to July 2021
 - ▶ Application to apply for tax deferral needs to be submitted by 31 July 2020

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Other major changes

Once the request is approved by the IRAS, the deferral will supersede the current payment due date/GIRO arrangement.

- ▶ Any individual who needs additional help with tax payment due to financial difficulties can write to the IRAS for special consideration.
- ▶ Tax filing deadline will be extended till 31 May 2020.
- ▶ Tax clearance for foreign employees in April 2020: Employers who are required to seek tax clearance for their employees in the month of April will be given 1 month's extension to file Form IR21. The current requirement for employers to withhold monies and release monies upon receipt of IRAS notification or after 1 month from filing of Form IR21 remains.

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Slovak financial administration issued an update that late filing penalties will be waived for individuals as well as corporate entities provided they file their tax returns and settle the corresponding tax liability by 30 June 2020 at the latest (the usual deadline foreseen by law is 31 March 2020).

Social Security changes

- ▶ No official Social Security update has been issued due to COVID-19. Nevertheless, government formally announced that the delay of remittance of social security contributions by the employers/ self-employed freelancers should be possible if their turnovers decrease by more than 40%.

Other major changes

- ▶ Slovak police has reduced its working hours. Also only applications for extension of temporary residence permits or applications for permanent residence permits of Non-EU nationals are currently being accepted.
- ▶ EU nationals are expected to register by means of sending the completed application via mail, i.e., no personal visit is required, and subsequently, once the situation gets better, they can make a visit to finish the process in order to get a residence permit card.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Annual tax return deadlines were moved from 31 March 2020 to 31 May 2020 and to 31 August 2020.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Suspension of deadlines in the tax area during the state of alarm, in particular:
 - ▶ It establishes deadline extensions for tax due payments and tax proceedings (tax audits, seizures, etc.).
 - ▶ The period from 18 March 2020 to 30 April 2020 is excluded for calculating tax proceedings deadlines, prescriptions and expiration.
 - ▶ Up to date, it is not foreseen that deadlines for the filing of tax returns will be extended.

Social Security changes

- ▶ In case of temporary collective dismissals related to COVID-19, companies are exonerated (totally or partially) from paying the employer contribution (with no impact for the employees).
- ▶ Self-employed who stop activity or reduce revenue by more than 75% are exempt from Social Security contributions. They will also receive an allowance equivalent to 70% of their Social Security base.

Other major changes

- ▶ On 14 March 2020, the Spanish government implemented a State of Alarm and issued a countrywide Royal Decree 463/2020, valid for 15 days, that severely limits all movement and most commercial activity (except for basic services) in effort to contain the spread of the COVID-19.
- ▶ This regulation also contains some measures in the field of legal and administrative proceedings and, in particular, regulates the suspension of deadlines while the state of alarm is in force.
- ▶ On 18 March 2020, new Royal Decree-Law 8/2020 on urgent extraordinary measures to face the social and economic impact of COVID-19 has entered into force. This new Royal Decree-Law focus on government aid and public support measures in favor of disadvantaged and/or risk groups, families, self-employed, employees and companies.

Payroll compliance changes

- ▶ New rules on short-time work
On 16 March 2020, the Swedish government presented a new proposal for rules on short-time work with financial support from the state. The purpose of the rules is to support employment and curb unemployment in particularly deep economic downturns or like in the situation at hand, in situations that could have not been foreseen, by reducing employees' working hours and wages. The cost is shared between the government, the employer and the employees.
- ▶ The proposal means that the employer's salary costs can be reduced by half, while the employee receives more than 90% of his or her salary. To qualify for preliminary support, the employee's working hours must be reduced by 20, 40 or 60% of the regular working hours.

Tax compliance changes

- ▶ Respite will be granted with social contributions payments, preliminary taxes and VAT. The new regulations are proposed to enter into force on 7 April 2020, but to have retroactive effect from 1 January 2020.
- ▶ VAT, social contributions and preliminary taxes are normally paid monthly (or quarterly). After application, tax payers will be granted respite with these kind of payments for a period up till twelve months.
- ▶ The measure has a maximum, which is set to the sum of a three month payment term (i.e., taxes due under a three-month period can be postponed).
- ▶ The reporting periods that may be subject to the postponement are January to September 2020. A fee of 0,3% of the postponed amount per every new calendar month will be charged, and also a non-deductible interest cost at a rate of 1.25%.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

Payroll compliance changes

- ▶ According to the Swedish government, the new rules will come into force on 7 April 2020, but will be applied retroactively as of 16 March 2020.
- ▶ Sick leave costs relief:
 - ▶ Employer will be relieved from costs for employee's sick leave
 - ▶ Typically, employer pays compensation to employees during the first fourteen days of sickness absence
 - ▶ Through this measure, the compensation to the employer will instead be paid by the government. This will have effect during April and May

Tax compliance changes

- ▶ According to the proposal, this shall have retroactive effect as from 1 January 2020, meaning that taxes already paid can be reclaimed.
- ▶ Postponement will not be granted regarding Value added tax (VAT) for businesses reporting their VAT on an annual basis. Companies that are economically ill-managed or are dishonest in some way, or that already have large tax debts, will also not be granted postponement of tax payments.

Social Security changes

Other major changes

Payroll compliance changes

- ▶ Short-time work is an instrument to compensate for temporary work loss that aims at keeping jobs. The compensation usually amounts to 80% of the relevant earnings (in principle calculated on the basis of the latest monthly income).
- ▶ Due to the extraordinary situation, the application process for short-time work has been simplified.
- ▶ The Federal Council has also implemented further measures in the area of loss of earnings compensation, to which both employees and self-employed individuals are entitled.

Tax compliance changes

- ▶ France has agreed with Belgium and Switzerland that, until further notice, the days during which frontier workers are required to remain at home during this crisis should not be taken into account in counting the number of days referred to above. Consequently, these days will not affect the eligibility of cross-border workers for the specific tax regime.
- ▶ The Federal Government is waiving the interest charged on the late payment of all Direct Federal taxes which would have been due as of 20 March 2020 up to 31 December 2020. Therefore conversely, interest could still be charged on Direct Federal taxes which were already due / overdue by 20 March 2020.
- ▶ Some cantons are extending deadlines of the tax payments and not issuing disadvantageous tax assessments to the individuals until further notice.

Social Security changes

- ▶ According to the Swiss authorities, cross-border commuters from European Union/European Free Trade Association states remain insured with the Swiss pension scheme (AHV) should they have already been insured prior to the COVID-19 outbreak. The temporary employment in home office does not change this regulation. Switzerland and the neighboring countries have agreed that cross-border workers working remotely from home will have no impact in terms of their social security affiliation.

Other major changes

- ▶ The Swiss Federal Council has declared all countries except Liechtenstein as a risk country.
- ▶ Entering Switzerland, regardless of nationality and point of origin will only be possible in one of the following cases:
 - ▶ They have a valid D-visa (national visa) for work purposes in their passport
 - ▶ They are in possession of a valid L, B, G or C permit or a valid announcement confirmation
- ▶ Non-EU nationals with a Schengen Visa (C-visa) are not allowed to enter Switzerland, unless it states that the visa is for healthcare purposes or an official visit.

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Other major changes

- ▶ Business or tourist trip into Switzerland will not be possible anymore.
- ▶ Special support measures have been announced for companies and/or self-employed individuals that work in the field of culture, tourism and sport. Further measures in different fields are currently discussed and might be announced shortly.
- ▶ Recommendations announced by the Federal Office of Public Health (FOPH) affect the employment relationship as well and must, therefore, be taken into account by both, the employer and the employee.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The Government has announced an extension of all individual income tax filing due to dates from 31 May 2020 to 30 June 2020.
- ▶ Individuals who have difficulty in settling tax payments due to the impact of COVID-19 may file an application for an extension or instalment payment of tax liability in accordance with Article 26 of Tax Collection Act.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19

Tax compliance changes

- ▶ The tax authority has extended the filing deadline from 31 March 2020 to 30 June 2020.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ No other update has been issued due to COVID-19.

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Payroll compliance changes

- ▶ Companies may request for deferred payment of taxes including payroll tax when facing liquidity issues due to COVID-19. Wage tax filings still need to be made.
- ▶ No penalties will be imposed for late payment of taxes including payroll taxes.

Tax compliance changes

- ▶ Interest rates on tax payments due and tax collections will be decreased from 4% to 0.01%.
- ▶ No penalties will be imposed for late payment of taxes including payroll taxes.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Temporary measure for companies facing a reduction in income (at least 20%) due to COVID-19. Unemployment benefits can be applied for up to three months covering up to 90% of the employees' income. The company is requested to pay the remainder 10% and mustn't lay off personnel in this period for economic reasons and must continue to pay wages.
- ▶ Self employed persons can be entitled to a special state benefit for a three months period to provide for income.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ The deadline for filing annual income tax return has been extended to 30 April 2020 (the original date was 31 March 2020).

Social Security changes

- ▶ No tax update has been issued due to COVID-19.

Other major changes

- ▶ No Social Security update has been issued due to COVID-19.

Payroll compliance changes

- ▶ IR35 Legislation (anti avoidance tax legislation) reforms requiring PAYE to be operated for off-payroll workers falling within IR35 will be deferred until 6 April 2021.
- ▶ "Time to Pay" arrangements for Pay-as-you-earn (PAYE) and other taxes, Her Majesty's Revenue and Customs (HMRC) have announced changes to arrangements for deferring tax liabilities.
- ▶ HMRC have set up a team to discuss these arrangements with taxpayers and each case will be looked at on its own merits.
- ▶ While HMRC are making it clear they are not a bank making loans (so they will expect evidence from distressed businesses that they have sought alternative financing arrangements) there is the facility to defer tax payments (corporate tax, Value added tax, Pay-as-you-earn, Air Passenger Duty Tax) for three months if the business can demonstrate financial difficulty.

Tax compliance changes

- ▶ Updated Guidance on Statutory Residence Test - Certain days spent in the UK, which are beyond the individual's control, may be disregarded for some of the tests under the Statutory Residence Test. Whilst this concept is not new,
- ▶ HMRC has issued further guidance to clarify their position for days spent in the UK due to COVID-19. HMRC accepts that individuals who are quarantined, or unable to leave the UK as a result of official Government advice or closure of international borders, or are asked by their employers to return temporarily to the UK as a result of the virus can treat these days as exceptional.
- ▶ At this stage, the maximum number of days that can be treated as exceptional are 60, and facts and circumstances need to be reviewed in each case.

Social Security changes

- ▶ Statutory Sick Pay (SSP) - Companies with less than 250 employees will be able to reclaim the cost of 2 weeks of Statutory Sick Pay.
- ▶ In addition please note that the UK government is legislating for SSP to be paid from day one, rather than day four, of an absence from work if the absence is due to sickness or a need to self-isolate caused by COVID-19.
- ▶ Once the legislation has been passed, this will apply retrospectively from 13 March 2020. This doesn't include the need to provide childcare.

Other major changes

- ▶ Home working expenses - Home working weekly maximum expense reimbursement increased from GBP 4 to GBP 6.
- ▶ Coronavirus Job Retention Scheme: if an employer cannot cover staff costs due to COVID-19, they may be able to access support to continue paying part of the wages, to avoid redundancies.
- ▶ To qualify for this scheme, employees should not undertake work for their employers. Employers can claim a grant of up to 80% of wages for all employment costs, up to a cap of GBP 2,500 per month.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ Annual tax return filing deadline was extended from 30 April 2020 to 1 July 2020.
- ▶ The deadline for payment of tax due according to the annual tax return was extended from 31 July 2020 to 1 October 2020.
- ▶ Tax audits are suspended for the period from 18 March 2020 to 31 May 2020.

Social Security changes

- ▶ Payment of the Unified Social Tax for private entrepreneurs and self-employed individuals was abolished for March and April 2020.

Other major changes

- ▶ Fines and penalties for some violations of tax law, committed in the period from 1 March 2020 to 31 May 2020, will not be imposed.

Payroll compliance changes

- ▶ At the Federal level, the Families First Coronavirus Response Act includes The Emergency Paid Sick Leave Act. and The Emergency Family and Medical Leave Expansion Act. Private employers with less than 500 employees and governmental employers may avail themselves of certain credits and exemption from the employer social security for such emergency sick leave (also see under Social Security changes).

Tax compliance changes

- ▶ The Federal individual income tax filing and payment due dates have been extended from 15 April 2020 to 15 July 2020 with waiver of interest and penalties. There is also provision for further extension pending further guidance from the Federal authorities. The CAREs Act is also pending passage in the Senate which may provide further benefits with regard to estimated tax payments. Many states are following suit but not uniformly. Therefore each state requirement needs to be confirmed.

Social Security changes

- ▶ The Emergency Family and Medical Leave Expansion Act provides wage continuation where an employee must take leave to care for a son/daughter under 18 years of age due to school closure or lack of availability of the child care provider due to a public health emergency related to COVID-19. There are corresponding benefits to the employer as these wages are not subject to the employer's share of Social Security tax. Employers are eligible to receive a refundable tax credit equal to 100% of the paid leave wages. Here too the limitations noted under Payroll compliance changes will apply.

Other major changes

- ▶ There are travel restrictions to mainland China, Iran, European Schengen Area, UK and Ireland. Also limitations on travel across the Mexico and Canadian borders.

Payroll compliance changes

- ▶ On 27 March 2020, the president signed a USD 2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act. The bill includes individual stimulus payments as well as provisions impacting the access to funds in retirement plans and expanding the benefit of charitable contributions. Further the Act provides employer benefits related in the form of an employee retention credit, payroll tax deferral as well as expanded business interest expense limitations and liberalized Net Operating Loss rules among other benefits including loans with the possibility of forgiveness.

Tax compliance changes

Social Security changes

Other major changes

Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No Tax update has been issued due to COVID-19.

Social Security changes

- ▶ No Social Security update has been issued due to COVID-19.

Other major changes

- ▶ Special Unemployment Insurance for 30 days.
- ▶ Partial unemployment insurance application: A special unemployment insurance regime will allow to companies to apply this benefit for employees for less than a complete month and also for reduced working hours per day. This is to make the general unemployment insurance regime more flexible, because the general regime does not allow the partial application of this benefit as this new regime does.
- ▶ Subsidies on employer contributions for small and medium entities. The information was communicated by President yesterday, the formal documents with the regulations were not published yet.

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Payroll compliance changes

- ▶ No Payroll update has been issued due to COVID-19.

Tax compliance changes

- ▶ No tax update has been issued due to COVID-19.

Social Security changes

- ▶ The Social Insurance Agency has issued an official letter on 17 March 2020 to grant a grace period of compulsory social security contributions until December 2020 for enterprises who are impacted by COVID-19.
- ▶ Enterprises subject to this favorable treatment are enterprises in passenger transportation, tourism, accommodation, restaurants and having more than 50% of employees paying social insurance who temporarily leave their jobs or losing more than 50% of the total assets due to the epidemic.

Other major changes

- ▶ Vietnam will suspend the entry of all foreign nationals into Vietnam from 22 March 2020. This is with the exception for those entering Vietnam for diplomatic, official and other extraordinary purposes (including foreign guests attending or otherwise in service of important foreign affairs events, experts, corporate managers, high skilled workers).
- ▶ Vietnam has suspended all international flights to Vietnam.
- ▶ All passengers coming to Vietnam are required for mandatorily concentrated quarantine in 14 days since arrival, effectively from 21 March 2020. This measure is not applied to diplomats and officials.

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Other major changes



- ▶ Foreign experts, corporate managers and high skilled workers, who have obtained COVID-19 negative certificates issued by their host countries' competent authorities and approved by Vietnam prior to their arrival, shall be able to enter Vietnam and subject to tight quarantine at their place of residence in line with the regulations.

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