



EY Tax Controversy Covid-19 Response Tracker

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Important notes

- ▶ Governments around the world are actively taking steps to protect their economies from the economic damage being caused by the Covid-19 virus. Whether through tax cuts, investment incentives or changes to filing deadlines, tax will play a significant part in helping alleviate the financial and economic turmoil that is now occurring
- ▶ Tax Administration measures and changes across the globe are being proposed and implemented daily, making it more important than ever for businesses to stay abreast of developments
- ▶ This document provides a snapshot of the Tax Administration changes that have been announced in jurisdictions around the world in response to the Covid-19 crisis. It is designed to support conversations about measures that have been proposed or implemented in key jurisdictions
- ▶ 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
- ▶ Please consult with your EY engagement team to check for new developments
- ▶ EY has developed additional trackers to help you follow changes:
 - ▶ [Tax Policy](#)
 - ▶ [Labor and Employment Law](#)
 - ▶ [Immigration Policy](#)
- ▶ EY Tax professionals are updating the trackers regularly as the situation continues to develop

Jurisdictions covered

Algeria	Australia	Belgium	Bulgaria	Canada
Chile	Colombia	Costa Rica	Cyprus	Czech Republic
Denmark	Ecuador	El Salvador	Finland	France
Germany	Greece	Guatemala	Honduras	Hong Kong
Hungary	Indonesia	Ireland	Israel	Italy
Japan	Latvia	Lithuania	Luxembourg	Mainland China
Malaysia	Mexico	The Netherlands	New Zealand	Panamá
Peru	Philippines	Poland	Portugal	Puerto Rico
Qatar	Romania	Russia	Singapore	Slovakia
Spain	Sweden	Taiwan	Thailand	Turkey
Ukraine	United Kingdom	United States	Venezuela	Vietnam

Tax audits

Tax collection

Tax litigation

- ▶ Monthly tax returns, submissions and payments due in February are postponed until 20 April 2020 for taxes, such as the Tax on Professional Activity (TAP), Corporate Income Tax installments, Personal Income Tax (PIT) and Value-Added Tax (VAT); the postponement applies only to taxpayers registered with the regional tax inspections centers
- ▶ Taxpayers registered at Direction des Grandes Entreprises (DGE) are not eligible for this postponement as they submit their tax returns on an electronic platform (Jibayatic)

Tax audits

- ▶ Audit activity is ongoing, but subject to extensions of time upon taxpayer request
- ▶ The Second Commissioner directed the Australian Tax Office (ATO) staff to be flexible in relation to any extension of time requests

Tax collection

Decreasing tax payment obligations and deferring tax debts

- ▶ The ATO has announced a process for reducing tax payment obligations by varying PAYG instalments for March 2020 to reflect the estimated taxable income for the year
- ▶ Payment deferrals to help manage cash (e.g., a potential deferral of up to 6 months for BAS payment obligations including PAYG and GST)
- ▶ In relation to GST, businesses on a quarterly reporting cycle may elect to change their GST (not PAYG) reporting to monthly cycles starting 1 April 2020 to get quicker access to GST refunds
- ▶ Remission of interest and penalties for late payment will be available on a case by case basis
- ▶ Companies are still required to meet their superannuation obligations as there is no power to change the contribution due date or waive the super guarantee charge
- ▶ Fringe Benefit Tax exemptions are available for benefits provided as a result of COVID-19 (e.g., because of illness or returning an employee home)

Tax collection

Supporting Employees/Contractors

- ▶ Employers are to ensure that employees are able to access all available relief to minimise the consequences of industry being shut down, they should consider:
 - ▶ Whether termination is preferable to unpaid leave to enable access to government benefits
 - ▶ Whether any payments can be structured as termination payments for beneficial tax treatment

Ancillary matters

- ▶ Instant asset write off: Companies with an aggregated annual turnover of under \$500 million will be eligible for an instance asset write off of \$150,000, per eligible asset
- ▶ Acceleration of depreciation: A 15 month time limited investment incentive is being introduced that will provide for accelerated depreciation for new assets ready for use by 30 June 2021

Tax litigation

- ▶ For the Federal Court of Australia it is business as usual
- ▶ Court hearings are to be conducted by video link through the use of the "Microsoft Teams" software with judges and attorneys appearing remotely
- ▶ For the Administrative Appeals Tribunal (AAT), all interlocutory proceedings are to be conducted by telephone
- ▶ The AAT procedure for final hearings is undergoing review

Tax audits

Tax collection

Tax litigation

- ▶ Payment plans, waivers of late payment interest and waivers of penalties for non-payment are available at taxpayer request if certain conditions are met

Tax audits

Tax collection

- ▶ The deadline for annual CIT returns is extended until 30 June 2020
- ▶ The deadline for payment of local taxes and fees with a discount is extended

Tax litigation

Tax audits

- ▶ Suspension of audit interaction – For most businesses, the Canada Revenue Agency (CRA) will temporarily suspend audit interaction with taxpayers and their representatives
- ▶ GST/HST: Hold on initiation of audits for small and medium-sized businesses. The CRA will not contact any small or medium-sized businesses over the next four weeks to initiate any post-assessment GST/HST audit
- ▶ Income Tax: Hold on initiation of audits for small and medium-sized businesses - the CRA will not contact any small or medium-sized businesses over the next four weeks to initiate any post-assessment income tax audit

Tax collection

- ▶ The CRA has announced that collections activities on new debts will be suspended until further notice and flexible payment arrangements will be available

Tax litigation

- ▶ Any objections related to Canadian taxpayers' entitlement to benefits and credits have been identified by the CRA as a critical service which will continue to be delivered during this time. With respect to objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance
- ▶ On 16 March 2020, the Tax Court of Canada ordered the extension of all timelines prescribed by the rules of that Court while it is closed for business until 30 March 2020

Tax audits

Tax collection

- ▶ The Chilean tax authority has launched new online tools on its website to obtain tax IDs and to improve management of monthly taxes
- ▶ On 18 March, the Treasury Ministry announced an economic incentive package mainly focused on funds to support small/medium business in the amount of USD \$11,750 million, or equivalent to 4.7% of the Chilean GDP. Key components are sanitary systems, family revenues and employment protections
- ▶ The following tax measures are included:
 - ▶ Corporate tax Monthly Provisional Payments (MPP) are suspended for the next three months
 - ▶ Deferral of VAT payments for the next three months for Chilean entities with revenues lower than USD \$11.7 million with the possibility to pay the owed VAT in 12 monthly installments without additional interest
 - ▶ Deferral of Real Estate Tax returns (to be paid in April) due during 2020 without additional interest for the delay. This benefit is applicable to Chilean entities with revenues lower than USD \$11.7 million and individuals that own real estate properties assessed for tax purposes in an amount lower than USD \$156,000
 - ▶ Small and medium business may defer income tax returns until July 2020
 - ▶ A transitory exemption of the Stamp tax (applicable to credit cash operations) for the next six months
 - ▶ Deductibility of all expenses incurred by Chilean company for sanitary purposes

Tax litigation

- ▶ Relief measures for tax debts that are intended to provide incentives to small/medium businesses and individual taxpayers with low incomes to enter into tax debt payment agreements

Tax audits

- ▶ The ordinary terms of tax authorities' activities have been suspended until 6 April
- ▶ Face-to-face meetings have been suspended; the majority of those cases can be done virtually

Tax collection

- ▶ The income tax payment deadline has been extended by one week
- ▶ Some municipalities have extended the deadline for payment of local taxes
- ▶ There is a VAT exemption for some medical devices and supplies needed for Covid-19 control; some compliance requirements apply

Tax litigation

- ▶ All litigation proceedings are suspended until 13 April
- ▶ All hearings have been postponed

Tax audits

- ▶ No current measures have been announced

Tax collection

- ▶ Payment of the VAT, advance payments of income tax, consumption tax and imports tax for April, May and June are deferred
- ▶ The minimum tax base for the social security health insurance and pension insurance is reduced to 25% on a temporary basis (three months)
- ▶ Commercial rents exempt from VAT for three months (April, May and June)

Tax litigation

- ▶ Some administrative deadlines and judicial hearings and trials are suspended

Tax audits

Tax collection

- ▶ A temporary two-month deferral of VAT payments, without the imposition of any penalties, is applicable to companies with turnover of less than €1 million or where turnover reduced has fallen by more than 25% with reference to the tax returns submitted during 2019
- ▶ Arrangements can be made so that VAT payable amounts will be settled gradually by 11 November 2020

Tax litigation

Tax audits

Tax collection

- ▶ The Czech Republic will lift fines for coronavirus-related late filing of corporate income tax returns and value-added tax reporting
- ▶ The filing deadline for personal income tax has been extended by three months
- ▶ Waiver of the penalty for the late payment of personal and corporate income tax and default interest until 1 July 2020 at the latest, without having to prove coronavirus-related reasons. Technically, the deadline will be missed, but without any consequences in the form of a penalty. (However, it should be noted that filing returns in due time may be more beneficial to the taxpayer in some situations (e.g., the existence of a refundable overpayment or a change in the amount of the tax advance))

Tax litigation

- ▶ The Minister of Finance may decide to waive the penalties for late submissions and related late payments of taxes and forgive certain administrative fees
- ▶ A waiver of late tax claim fines (and fines for failure to report) in all cases where the taxpayer individually requests the waiver of interest for late payment and proves reasons in any way related to coronavirus (e.g., disease or quarantine) – this measure should affect all taxes administered by bodies subordinate to the Ministry of Finance and all taxpayers
- ▶ A general waiver of the second fine for failure to submit a control report without having to prove coronavirus-related reasons
- ▶ The General Financial Directorate will adjust the order to allow for individual remission of fines for failure to submit a control report without a time limit if a coronavirus cause is established
- ▶ Flat-rate waiver of the administrative fee of CZK 400 for filing an individual application for tax deduction or tax repayment for reasons related to coronavirus until 31 July
- ▶ Maximum tolerance allowed in controls when launching the 3rd and 4th waves of ERS

Tax audits

Tax collection

- ▶ Payment deadlines for payroll tax and labor market contributions are postponed by four months for the months of April, May and June
- ▶ This means that the payroll tax and labor market contribution payments for companies with payroll tax of more than DKK 1m or a total labor market contribution of more than DKK 250,000, both of which must continue over a 12 month period, are as follows:
 - I. The payment due on 30 April is postponed until 31 August
 - II. 29 May payment is postponed until 30 September
 - III. 30 June payment is postponed until 30 October
- ▶ For the companies below the thresholds the payments are as follows:
 - I. The payment due on 11 May is postponed until 10 September
 - II. June 10 payment is postponed until 12 October
 - III. 10 July payment is postponed until 10 November
- ▶ Only the payment has been postponed, the reporting deadline is maintained
- ▶ For businesses with VAT liable deliveries exceeding DKK 50m on an annual basis, the deadline for such VAT payments are postponed by a month for the months; March, April and May
- ▶ This only applies for the payment of positive VAT, negative VAT can still be refunded within three weeks of receipt of the VAT statement
- ▶ For companies with VAT liable deliveries between DKK 5m to DKK 50m on an annual basis, the payment of VAT is postponed for the first quarter of 2020 and is now combined with the payment deadline of the second quarter of 2020 on 1 September 2020
- ▶ For companies with VAT liable deliveries below DKK 5m on an annual basis, the VAT payment of the first half of 2020 has been postponed and is now combined with the payment deadline of the second half of 2020 on 1 March 2021

Tax litigation

Tax audits

- ▶ The Ecuadorian Internal Revenue Service (IRS) suspended the terms of all tax administrative processes from 16 March to 31 March 2020, which include tax audits

Tax collection

- ▶ The IRS suspended the terms of all tax administrative processes from 16 March to 31 March 2020
- ▶ The President and IRS' General Director stated that the payment of certain taxes, including individual and corporate income taxes, which normally must be paid in April, May and June will be deferred for six months
- ▶ The President must issue a decree to make this announcement official

Tax litigation

- ▶ The work of Judicial employees such as administrative, jurisdictional, autonomous and auxiliary bodies are suspended during the state of emergency

Tax audits

No current measures have been announced

Tax collection

Legislative Decree 598 grants an extension for the payment of the fiscal year 2019 Income Tax and an exemption from the applicable late payment interest, charges or penalties, to the following taxpayers:

- Small taxpayers that have to pay Income Tax equal or less than USD \$10,000 can make the corresponding payment in up to eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and make the first payment equal to 10% of the Income Tax self-assessed in May 2020
- Taxpayers in the tourism industry that have to pay Income Tax, equal or less than USD \$25,000, can make the payment up to 31 May 2020. The extension is not applicable to taxpayers that have valid tax incentives granted according to the Tourism Law. Payment of the Special Tax on tourism has also been suspended for three months
- Taxpayers that generate, transmit, distribute and sell electric power can pay the Income Tax in up to eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and make the first payment equal to 10% of the Income Tax self-assessed in May 2020
- Taxpayers that render at least two of the following services: cable TV, internet and fixed or mobile telephony, can pay Income Tax in up to eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and make the first payment equal to 10% of the Income Tax self-assessed in May 2020
- In all the previously mentioned cases, the Income Tax return must be filed no later than 30 April 2020

Tax litigation

Administrative and judicial deadlines are suspended

Tax audits

Tax collection

Tax litigation

Legislative Decree 598 also grants an extension for the payment of the advance Income Tax corresponding to March, April and May 2020, with an exemption from applicable late payment interest, charges or penalties, to the following taxpayers:

- ▶ Taxpayers that render at least two of the following services: cable TV, internet and fixed or mobile telephony, can make the payment of the advance Income Tax corresponding to March, April and May 2020 in up to six monthly installments. The first installment corresponds to the 10% of the amount determined to be owed and will be paid in July 2020
- ▶ The returns will have to be filed within the 10 working days following the closing of the corresponding tax period.

Legislative Decree 603 grants exemption from VAT, custom duties and any other local or municipal tax that could be applicable to the importation of any goods, made by beneficiaries of the Free Trade Zones Law, that will be donated to the Government, Municipalities, Public or Private Institutions, non-profit, humanitarian, educational, communitarian, compassionate and relief entities, to help or to be distributed to the people affected by the COVID-19 pandemic.

The donations must be supported with the corresponding Certificate that will be issued by the Ministry of Economy in favor of the beneficiary entity

Legislative Decree 604 modifies the Central American tariff of Importation (Arancel Centroamericano de Importación) in order to guarantee the supply of the basic food basket, medicines, hygiene and cleaning products required under the national emergency declared

The import tax rate applicable, among others, to the following products has been reduced to zero percent (0%): red beans, wheat and rice flour, cornmeal, vegetables, soap, liquid soap and detergents

Tax audits

Tax collection

- ▶ The Finnish Tax Administration will ease the terms of payment arrangements for the time being. In addition, the Ministry of Finance is preparing a legislative amendment that will temporarily lower late-payment interest rates for taxes in a payment arrangement
- ▶ The Finnish tax authorities cannot grant more time for filing VAT returns or other tax returns for self-assessed taxes. However, taxpayers can request that the late-filing penalty be removed. If taxpayers have a justified reason for filing late, such as illness, they may not have to pay a late-filing penalty
- ▶ The deadlines for paying taxes are postponed (further details of this are not yet known)

Tax litigation

- ▶ The interest rate for late payments is reduced to 4% (currently 7%) for taxes due from 1 March 2020

Tax audits

- ▶ No new tax audits will be launched. However, companies can still exchange emails with the French Tax Administration

For ongoing tax audits:

- ▶ No procedural documents will be sent (tax reassessment notices, tax collection notices), except in the case of prescription or mandatory period laid down by law
- ▶ The auditor, if he is able to work, may request documents or propose a telephone interview, but the company may reply that it cannot act. If the company decides to respond, it can do so by email instead of sending a letter of acknowledgement. However, if the mail contains appendices, it is preferable to ask the auditor by calling him on his mobile phone, to send an access ticket to the secure document exchange platform “Escale” to avoid non-delivery of the shipment
- ▶ Legislation to “freeze” the consequences of non-compliance with deadlines in the different procedures should be proposed and adopted this week

Tax litigation

- ▶ All litigation proceedings are suspended
- ▶ All hearings are postponed
- ▶ For the introduction of new cases or the production of pleadings in current cases, the “télérecours” application should be used as before
- ▶ Under a new law, the government is authorized to, within a period of three months from 12 March 2020, apply measures regarding the functioning of the administrative authorities. This includes changes to the time limits for any procedures, filings, arrangements, decisions, inspections or requirements of any kind imposed by laws and regulations, unless these result from a court decision. Rules may also be altered regarding court jurisdictions and time limits, the publicity of hearings and their holding, the use of videoconferencing before those courts, and the procedures for bringing cases before the court and for organizing adversarial proceedings before the courts
- ▶ A government order adapts the rules applicable before the administrative courts
- ▶ All deadlines provided for in Book II of the LPF (concerning control and rectification procedures) are suspended during the period from 12 March 2020 to one month after the end of the state of health emergency, both for the tax administration and for taxpayers
- ▶ The time limits for the tax administration to take over tax audits were suspended as of 12 March 2020 and do not start running again until one month after the end of the state of health emergency (only the time limits expiring on 31 December 2020 are extended)
- ▶ The deadlines for public accountants to take action to recover debts is suspended between 12 March 2020 and three months following the date of the end of the state of emergency

Tax collection

- ▶ For the smallest French companies and for as long as the current situation lasts, the payment of taxes, social security contributions or various invoices (e.g., water, gas or electricity and rents) may be suspended
- ▶ The employee and employer social contribution payments (URSSAF) due on the 15 March 2020 can be postponed upon request, in whole or in part, for up to three months
- ▶ For the self-employed, the rate and the down payments at source of income tax can be adjusted at any time. It is also possible to defer the payment of the personal income tax down payments from one month to another up to three times if monthly installments, or from one quarter to the next if quarterly installments. These adjustments can be made via the website impots.gouv.fr, under the heading “Manage my direct debit” (before the 22nd of a given month, in order to be taken into account for the following month)
- ▶ For employees, no deferrals or discounts are contemplated for the employees payments at source of personal income tax
- ▶ The postponement only impacts direct taxes and not VAT and similar taxes (VAT or excise duties are indirect taxes collected by businesses on behalf of the state, no payment deferrals are expected currently)
- ▶ The government affirmed the goal of a rapid refund of excess input VAT to the companies (i.e., within one month in 80% of cases)
- ▶ Postponement upon request and without penalty of the payment of the upcoming direct taxes instalment (for CIT down payment and/or payroll tax). If the March payment has already been made, companies still have the option of opposing the SEPA direct debit from their bank or of requesting reimbursement to the tax authorities. A specific form to benefit from these measures is available on the tax authority’s website
- ▶ If the deferral of payment is not sufficient, it is possible to obtain direct tax rebates, penalties or interest on arrears on outstanding tax debts by providing information on financial difficulties encountered by filling in frame 2 of the form
- ▶ The monthly payment of the corporate property tax (CFE) or the property tax (taxe foncière), can be suspended without penalty
- ▶ The government affirmed the goal of rapid refund of tax credit for competitiveness and employment (CICE) (i.e., within three months in 75% of cases)
- ▶ When the deferral of payment is not sufficient in view of the company’s difficulties, the company may claim direct taxes rebates (corporation tax, business property tax, business value-added tax) and penalties or interest on outstanding tax debts, provided that there is evidence of the company’s difficult financial situation. Unlike deferred payments, which are automatic, rebates will depend on the particular situation of each company
- ▶ No specific deferral measures have been announced so that all tax returns should be filed within the time allowed
- ▶ Government issued in an order not to suspend or extend the deadlines for filing tax returns “for the assessment, assessment basis, liquidation and collection of taxes, duties and fees”

Tax audits

Tax collection

- ▶ In order to improve companies' liquidity situation, the options for deferring tax payments and reducing prepayments will be enhanced, and enforcement rules will be adapted. Overall, businesses will be able to defer billions of euros in tax payments
- ▶ The Federal Ministry of Finance has already initiated the necessary coordination process with the states. It is expected that a decree will be released by the Federal Ministry of Finance in the next couple of days which will provide further details on the measures and administrative procedure. The measures which have been agreed on a political level are as follows:
 - ▶ It will be easier to grant tax deferrals. Revenue authorities will be able to defer taxes, if their collection would lead to significant hardship. The revenue authorities will be instructed to not impose strict conditions in this respect. This will support taxpayers' liquidity, because the timing of tax payments will be delayed
 - ▶ It will be easier to adapt tax prepayments. As soon as it becomes clear that a taxpayer's income in the current year is expected to be lower than in the previous year, tax prepayments will be reduced in a swift and straightforward manner. This will improve the liquidity situation
 - ▶ Enforcement measures (e.g., attachment of bank accounts) and late-payment penalties will be waived until 31 December 2020 if the debtor of a pending tax payment is directly affected by the coronavirus
 - ▶ Some states have already issued on their homepage a template for a simplified reduction of tax prepayments (e.g., [Bavaria](#)) or have provided further guidance on the tax measures (e.g., [Northrhine-Westfalia](#) and [Schleswig-Holstein](#)). Further guidance by states and revenue authorities is expected

Tax litigation

- ▶ With regard to taxes that are administered by the customs administration (e.g., energy duty and aviation tax), the Central Customs Authority has been instructed to make appropriate concessions to taxpayers. The Central Customs Authority has already provided further [guidance](#)
- ▶ The same applies to the Federal Central Tax Office, which will proceed accordingly with regard to insurance tax and value-added tax, which fall within its remit

Tax audits

- ▶ Income taxes and VAT up to €30,000 per tax category and taxpayer pending for refund shall be refunded immediately, whereas a tax audit may still be conducted on a sample basis

Tax collection

- ▶ The payment of debts assessed and due to the Tax Administration as well as the payment of debt installments or partial repayments due between 11 March 2020 to 30 April 2020 are suspended until 31 August 2020 for affected enterprises
- ▶ The collection of debts assessed and due on 11 March 2020 are suspended until 31 August 2020 for affected enterprises
- ▶ No late payment interest or surcharges are calculated during the suspension period
- ▶ As a prerequisite for the suspension, the enterprise must maintain all job positions
- ▶ The payment of debts assessed and due to the Tax Administration as well as the payment of debt installments or partial repayments are suspended for the employees of affected enterprises. No late payment interest or surcharges are calculated during the suspension period

Tax litigation

- ▶ All statutory deadlines for the submission of a request or administrative appeal before the Tax Administration are suspended as of 11 March 2020 for two months
- ▶ Court statutory deadlines (e.g., for the submission of a tax judicial appeal) are suspended as of 16 March 2020 until 27 March 2020
- ▶ Court operations and hearings are suspended as of 16 March 2020 until 27 March 2020

Tax audits

- ▶ Existing or new audit processes are suspended during the established period and are to be resumed on 15 April

Tax collection

- ▶ The deadline for filing the February VAT return is extended to 15 April
- ▶ The deadline for filing the March VAT withholding tax return is 5 May
- ▶ The deadline for filing the annual income tax return is 15 April
- ▶ The deadline for filing the income tax return withholding is 28 April
- ▶ The deadline for the presentation of reports required by law is extended to 15 April
- ▶ Existing or new audit processes are suspended during the established period and are to be resumed on 15 April
- ▶ The deadline for attending information requests or presenting administrative appeals to the Tax Authorities is suspended and to be resumed on 15 April

Tax litigation

- ▶ There is a suspension of administrative and judicial deadlines

Tax audits

Tax collection

- ▶ A deadline extension for filing tax returns and the expiration of tax documents (i.e., printed invoices)
- ▶ A GST exemption for protective masks and alcohol gel, as well as raw materials and products to produce medicines and sanitizer products
- ▶ A price freeze on basic foods

Tax litigation

- ▶ There is a suspension of administrative deadlines before the Tax Authorities

Tax audits

- ▶ Suspension of the Tax Authorities activities – IRD counters are closed and no face to face meeting can be arranged from January 29 to March 1 and from March 23 and April 3

Tax collection

- ▶ Deadlines for tax payments, lodgement of objections and holdover applications and submission of tax returns and information that fall between January 29 and March 1 will be automatically extended to March 2
- ▶ Deadlines for tax payments, lodgement of objections and holdover applications as well as submission of tax returns and information that fall between March 23 and April 3 will be automatically extended to April 6
- ▶ For instalment plans approved by the IRD allowing taxpayers in financial difficulties for settlement of Salaries Tax, Profits Tax and Personal Assessment demand notes issued between December 2019 and December 2020 for the Year of Assessment 2018/19, provided that the instalment plans are duly adhered to, no surcharge will be imposed for a maximum period of one year counting from the respective due dates of the demand notes

Tax litigation

- ▶ For board and court hearings originally scheduled for January 29 to April 3, they will generally be adjourned and will not be held unless they are urgent and essential as directed by the board and the court
- ▶ Under section 58H of the Inland Revenue Ordinance (Cap. 112), a Hong Kong entity of a reportable group is required to file a notification in relation to country-by-country (CbC) reporting for an accounting period. The notification must be filed within three months after the end of the relevant accounting period (notification deadline). In view of the latest situation of COVID-19, the Inland Revenue Department would accept the Hong Kong entity and its service provider as having complied with the notification deadline for the relevant accounting period ended between 31 December 2019 and 29 February 2020, provided that the notification is received via the CbC Reporting Portal on or before 1 June 2020
- ▶ Bulk issue of the 2019/20 Tax Returns will be issued on 4 May or 5 May 2020 (instead of early April)
- ▶ Deadline for submission of 2019/20 Profits Tax Return for taxpayers with accounting dates falling between 1 April 2019 – 30 November 2019 (Accounting date code "N") will be extended to 30 June 2020 (Tuesday)

Tax audits

Tax collection

- ▶ In severely hit industries, e.g., tourism, hospitality, entertainment, sport, cultural services (e.g., theaters, cinemas), the Hungarian Government waived the employment related contribution payment obligation of employers until 30 June 2020
- ▶ The tourism fund contribution payable until 30 June is waived, i.e., 4% of revenues
- ▶ The lump sum small business tax (KATA) payable until 30 June by taxi drivers will be waived

Tax litigation

Tax audits

- ▶ Indonesian Tax Authority (ITA) suspended its face-to-face activities, such as submission of tax letters/documents
- ▶ All communication in a tax audit processes must be conducted through letters, emails, audio/video conferences and other on-line channels

Tax collection

- ▶ Tax payment and filing of the 2019 Individual Tax Return that is due by 31 March 2020 is now extended to 30 April 2020
- ▶ There is no change to the deadline for tax payment and filing of Corporate Tax Returns which is the end of the fourth month from the end of a fiscal year

Tax litigation

- ▶ Tax Court activities will be suspended for period from 17 March to 3 April 2020
- ▶ The suspension will apply for Tax Court hearings, submission of Tax Appeals (Banding), Lawsuits (Gugatan), and Reconsideration Requests (Peninjauan Kembali) to the Supreme Court (submitted via Tax Court) as well as delivery service in relation to Tax Court Decisions and Reconsideration Request Decisions
- ▶ The suspension period will not be counted in determining the time limit/deadline that are governed in the Tax Court Law

Tax audits

- ▶ Audit and other compliance intervention activity on taxpayers' premises are suspended until further notice. Where possible, work will continue to finalize open interventions
- ▶ The Relevant Contract Tax (RCT) rate review scheduled to take place in March is suspended

Tax collection

- ▶ For SMEs the application of interest on late payments is suspended for January/February VAT and both February and March PAYE (employers) liabilities. (Note: for *tax purposes*, an SME is a business with turnover of less than €3 million who is not dealt with by either Revenue's Large Cases Division or Medium Enterprises Division. SME's are managed from both a service and compliance standpoint by Revenue's Business Division)
- ▶ Businesses, other than SMEs, who are experiencing temporary cash flow or trading difficulties are advised to contact the Collector-General's office or their Revenue contact
- ▶ All debt enforcement activity is suspended until further notice
- ▶ The application of the surcharge for late filing of corporation tax returns for accounting periods ending June 2019 onwards (due for filing by 23 March 2020 onwards) is suspended until further notice
- ▶ The collection of stamp duty on credit cards which is normally levied in April has been deferred until July
- ▶ Revenue will not seek to enforce Irish payroll obligations for foreign employers in genuine cases where an employee was working abroad for a foreign entity prior to COVID-19 but relocates temporarily to the State during the COVID-19 period and performs duties for his or her foreign employer while in the State
- ▶ If a PAYE exclusion order is in place, the position will not be adversely impacted where the employee works more than 30 days in the State due to COVID-19
- ▶ The local property tax (LPT) payment date extended to 21 May 2020

Tax litigation

- ▶ The Tax Appeals Commission has postponed upcoming hearings and will not be conducting hearings for the period: 25 March 2020 to 17 April 2020 inclusive. The majority of the other services provided by the Tax Appeals Commission will be unaffected
- ▶ The Courts Service of Ireland reports that no new cases (other than urgent cases) will commence and appeals will be adjourned for the remainder of the Court term i.e., to 3 April 2020. The next Court term commences on 29 April 2020

Tax audits

Tax collection

Tax litigation

Tax returns submission date:

The 2019 tax return filing deadlines are extended as follows:

- ▶ E-filing tax returns for individuals are extended until 30 July 2020
- ▶ Tax returns for companies and non-profit organizations are extended until 20 July 2020
- ▶ Tax returns for individuals that are not required to e-file their returns are extended until 30 June 2020

VAT filings and payments

- ▶ For VAT dealers that report on a monthly basis, the deadline for February is extended until 26 March 2020. For VAT dealers that report on a bi-monthly basis the deadline for February is extended until 27 April 2020

Social security

- ▶ Social Security and Health Insurance payments for April 2020 will be deferred

Tax refunds

- ▶ The Israeli Tax Authority announced that the refund process for taxpayers and VAT dealers will be expedited

Social security

- ▶ The National Insurance Institute announced the suspension of any enforcement actions including the avoidance of new foreclosures imposition and the deferral treatment of existing foreclosures

Tax audits

- ▶ General suspension from 8 March to 31 May of the deadline set out for activities performed by the Italian Tax Authorities and related to:
 - ▶ Tax audit
 - ▶ Tax computation
 - ▶ Issuance of tax assessments
- ▶ Postponement of two years of all the deadlines set out in favor of the tax office and ordinarily expiring by 31 December 2020 (e.g., the deadline to issue a tax assessment challenging 2015FY unfaithful income tax return and ordinarily expiring on 31 December 2020 is postponed to 31 December 2022)
- ▶ Suspension of the deadlines set out for the Italian Tax Authorities to reply to tax ruling requests or to admission requests to the cooperative compliance regime. The suspension also applies to taxpayers, to reply to all the requests filed along the suspension by the Tax Authorities

Tax collection

- ▶ General suspension from 8 March to 31 May of the deadlines set out for the collection activities
- ▶ Suspension of the payments due from 8 March to 31 May arising from payment injunctions. The payments need to be made by 30 June 2020
- ▶ Postponement of payment deadlines for installments due under certain Tax Amnesty Programs entered into force in past years. The payments need to be done by 31 May 2020
- ▶ Suspension of the payments due from 9 March to 15 April, arising from tax assessments, custom duties assessments and local tax assessments (e.g., payments for acquiescence to the assessments or for the provisional collection due pending legal proceedings). The suspension does not apply to the payments due by reason of the completion of a tax settlement procedure

Tax litigation

- ▶ General postponement (except in cases of "urgency") of public hearings scheduled between 9 March and 15 April. Such hearings may be rescheduled as from 16 April
- ▶ General suspension from 9 March to 15 April of the deadlines for the fulfilment of acts related to legal proceedings, such as:
 - ▶ Deadline to lodge a tax appeal, even if a previous tax settlement procedure was started
 - ▶ 90 day deadline for tax mediation instances
 - ▶ Deadline for filing the entry of appearance
 - ▶ Deadline for filing defensive deeds and for filing new documents in Court
 - ▶ Deadline for appealing judgments (to the Regional Tax Court or to the Supreme Court)

Tax audits

- ▶ While there has been no public announcement from the National Tax Agency on their audit activities, it could be assumed that their audit schedule is affected by the circumstances of tax offices or taxpayers

Tax collection

Extension of Filing of Tax Returns

- ▶ The deadline for filing a personal income tax return as well as that of gift tax and reporting on assets and liabilities was extended for one month from 16 March to 16 April 2020
- ▶ Similarly, the deadline for filing a consumption tax return for individual business was also extended from 31 March to 16 April 2020

Extension of Tax Payment

- ▶ Taxpayers who have difficulty paying a tax bill due to the impact of Covid-19 may file an application for an extension of payment for one year

Tax litigation

Tax audits

Tax collection

Tax litigation

Overdue taxes

- ▶ Taxpayers in certain sectors will be able to pay overdue taxes in instalments or to defer the payments for up to three years if the delay is due to the effects of COVID-19. This measure must still be coordinated with the European Commission

PIT advance payments

- ▶ Individuals deriving business income will not be required to make advance individual income tax payments in 2020

VAT refunds

- ▶ Tax authorities will refund confirmed excess input VAT to taxpayers within 30 days following filing of a VAT return, starting from 1 April 2020

Tax audits

Tax collection

Tax litigation

- ▶ The deadline for submitting annual individual tax returns and remitting tax payments has been extended until 1 July 2020. The electronic method of the new tax return form GPM311 will not be released until April 2020

Business Tax:

- ▶ The deadline for filing corporate income tax returns and advance payment of the tax is deferred until 30 March 2020
- ▶ Taxpayers are granted the ability to revise their corporate income tax calculations based on estimates on the current year (rather than previous year results)

Tax audits	Tax collection	Tax litigation
	<p>Personal tax</p> <ul style="list-style-type: none">▶ Individuals exercising an activity qualifying as commercial, agricultural and forestry or self-employed activity can request a cancellation of their advance of personal income tax (PIT) using a specific form for the first two quarters of 2020▶ Alternatively, taxpayers may also request a reduction of the amount of the advances to be paid rather than a cancellation via simple letter to the competent taxation office, explaining the reasons for the request and indicating the reduced amount of advances proposed to be paid▶ A request for postponement by four months of the PIT payments becoming due on or after 1 March 2020 is possible. This extension of the payment date will be granted without computation of interest for late payment.▶ The deadline for filing the 2019 tax return is postponed to 30 June 2020 for individuals. The deadline to submit, revoke or amend a request for individual taxation is also extended to 30 June 2020 <p>Business Tax</p> <ul style="list-style-type: none">▶ Starting from the week of 20 March, the indirect tax administration will reimburse VAT credit balances below EUR 10,000▶ Companies can request a cancellation of their advance of corporate income tax (CIT) and municipal business tax (MBT) payments (not for net worth tax (NWT) using a specific form for the first two quarters of 2020▶ Tax returns: The filing of corporate income tax returns will be postponed from 31 May until 30 June▶ Advance payments: No advance CIT or MBT has to be paid during the 1st and 2nd quarters of 2020▶ Alternatively, taxpayers may also request a reduction of the amount of the advances to be paid rather than a cancellation via simple letter to the competent taxation office, explaining the reasons for the request and indicating the reduced amount of advances proposed to be paid▶ A request for postponement by four months of the CIT, MBT and NWT payments which due date is set after 29 February 2020 is possible. This extension of the payment date will be granted without computation of interest for late payment▶ The deadline for filing 2019 corporate tax returns is postponed to 30 June 2020 for companies. The deadline to submit, revoke or amend a request for individual taxation is also extended to 30 June 2020	

Tax audits

Better law enforcement:

Tax authority could delay:

- ▶ Tax inspections against taxpayers unless significant risks are identified
- ▶ On-site inspections unless approval is granted (no clarification yet on tax authority level for approval)
- ▶ Cancelling invoices to taxpayers unless illegal acts found

Tax collection

Monthly tax filing deadlines extended

- ▶ Monthly tax filing deadline for February and March 2020 is extended to 23 March; for taxpayers in a Level 1 severity location, the provincial tax bureau may stipulate the scope of application and further extended period
- ▶ Taxpayers may apply for a further extension, subject to in-charge tax authorities' pre-approval; the further extension may be determined case by case depending on the facts and circumstances
- ▶ Penalties may be waived for delayed tax filings or document submissions if the taxpayers business operations have been impacted by the epidemic; tax credit rating won't be affected under this context; local tax authorities may require supporting documents

Tax payment deferral

- ▶ Taxpayers encountering one of the following circumstances can apply for a tax payment deferral for a maximum of three months, upon a pre-approval by tax authority:
 - ▶ Incurring substantial losses due to COVID-19 and operations greatly affected
 - ▶ Short of cash to pay taxes after settling payroll and social security contribution

Contactless services to taxpayers by tax authorities and simplified tax collection and administration measures

- ▶ Various modules available containing 185 tax tasks in E-tax bureau
- ▶ Temporarily waiver of on-site inspection for designated taxpayers' applications for VAT invoices
- ▶ Beijing Tax authority launched the blockchain-based general VAT invoice on a pilot basis

Tax litigation

- ▶ No new cases will be accepted for tax administrative review hearing (note – administrative review is another remedy option for taxpayers in China in addition to filing the case to a court; tax administrative review is within tax administration and it is not a court procedure)
- ▶ Stringent investigations on illegal acts of tax frauds (e.g., claiming COVID-19 related supporting tax policies with false information under the epidemic context)

Tax collection – tax policy at national and local level

National Level:

Individual Income Tax (IIT)

- ▶ IIT exemption on additional allowances and bonuses received by medical staff and qualifying personnel who have been involved in Covid-19 prevention, treatment or handling related emergencies
- ▶ IIT exemption on medicines, medical supplies and protective equipment provided from enterprises to employees
- ▶ Qualifying donations are allowed to be deducted in full for IIT purposes

Corporate Income Tax (CIT)

- ▶ Equipment purchased by the manufacturers of key medical and daily living supplies (KSMEs) for expanding production capacity is allowed to be one-off deducted in the same period for CIT purposes
- ▶ The carry-forward period for losses incurred in 2020 is extended from five to eight years for qualifying enterprises
- ▶ Qualifying donations are allowed to be deducted in full for CIT purposes

Value-Added Tax (VAT), Consumption Tax (CT), other local taxes/surcharges and import duties/taxes

- ▶ KSMEs may apply to the competent tax authorities for a full refund of the incremental input VAT credits incurred after the end of December 2019 on a monthly basis
- ▶ The income derived by taxpayers from providing the prescribed services (transportation of key supplies under the epidemic, public transportation services, lifestyle services) can be exempted from VAT and local tax/surcharges
- ▶ Exempt VAT for small-scale VAT taxpayers in Hubei and reduced VAT collection rate from 3% to 1% for those in other regions (effective from 1 March 2020 to 31 May 2020)

Tax collection – tax policy at national and local level

National Level: (cont.)

Value-Added Tax (VAT), Consumption Tax (CT), other local taxes/surcharges and import duties/taxes (cont.)

- ▶ Entities and self-employed industrial and commercial households (SICHS) that donate self-produced, contract-processed or purchased are exempt from VAT, CT and local tax/surcharges
- ▶ Cross-border donations for supporting the epidemic prevention and control are exempt from import duties and import-level VAT and CT
- ▶ For prescribed imports from USA, the tariff reduction obligations suspended will be resumed and the additional tariffs that have already been levied will be refunded

Social securities and housing funds (local practices vary)

- ▶ Social securities that are contributed by enterprises may be reduced and exempted temporarily
- ▶ Housing fund payments from employers may be deferred to 30 June 2020

Local Level:

- ▶ Real Estate Tax and Urban Land Use Tax relief policies such as exemption from RET and ULUT for months
- ▶ Short term reduced deemed tax basis for self-employed industrial and commercial households taxed on deemed basis that are severely affected by the epidemic
- ▶ Lower threshold for credit rating of companies that are eligible for unsecured loans with tax credit in certain locations

Tax audits

- ▶ An extension of time until 30 April 2020 for all submission of information and documents for ongoing tax audit or investigation cases (for cases that are due for submission during the extended Movement Control Order (MCO) period (18 March 2020 to 14 April 2020))
- ▶ Tax offices are closed during the MCO period
- ▶ Tax officers are to work from home during the MCO period. All official communications are through email exchanges
- ▶ Indirect Tax roundtable discussion(s) with tax officers will be postponed to a later date unless it is mutually agreed that such discussions can be conducted virtually

Tax collection

- ▶ Submission of revised estimate of tax payable in the third month of instalments and the instalment payments will be given an extension of time until 30 April 2020 (where the third month of instalments falls in March 2020).
- ▶ The due date for submission of revised estimates of tax payable which falls in March 2020 will be given an extension of time until 30 April 2020
- ▶ The due date for submission of any indirect tax returns that are due on 31 March 2020 has been extended to 30 April 2020. A full remission of penalty will be granted if the said returns are submitted during the extended period
- ▶ Companies in the tourism sector (travel agencies, hotel operators and airline companies) have the option of deferring the payment of tax estimates from 1 April 2020 to 30 September 2020
- ▶ No tax increase (late payment penalty) will be imposed on payments due during the MCO period so long as the tax payment is made within the extended period until 30 April 2020. This is also applicable to withholding tax payments during MCO period and monthly tax deductions for employees that are due on 15 April 2020
- ▶ Two month extended grace period for companies and individuals to electronically file their 2019 income tax returns (except for companies with financial period ending December 31)
- ▶ Tax refunds will be processed as usual

Tax litigation

- ▶ All litigation proceedings are suspended during the MCO period
- ▶ All court hearings are postponed
- ▶ Case management is conducted online by way of e-review (without physical presence in court)

Tax audits

- ▶ As of 20 March 2020, the Tax Administration Service has not suspended activities nor issued any statements that it will suspend the performance of any audits or the deadlines of active audits
- ▶ Several state governments have suspended audits and the deadlines to perform said audits at a local level

Tax collection

- ▶ As of 20 March 2020, the federal government has not issued any relief on tax collection or extensions to file annual tax returns or pay taxes
- ▶ Several states have suspended the deadlines to file and pay taxes during the Covid-19 emergency

Tax litigation

- ▶ The Supreme Court, Federal Judicial Branch (District Judges and Circuit Courts), as well as the Federal Administrative Court (Tax Court) have suspended activities From 18 March until 20 April, in which time there will be no activity in the courts and legal deadlines have been suspended

Tax audits

Tax collection

- ▶ Three months deferral of tax payments for wage taxes, personal income tax, corporate income tax and VAT; only request for extension must be filed asking for extension for PIT/CIT/VAT/wage tax; all future tax assessments will also be covered under and during this special COVID-extension of three months
- ▶ Temporary deferral of energy taxes
- ▶ Reduction of tax and collection interest to 0.01%
- ▶ If requested for special COVID – payment extension, administrative fees for late payment of wage taxes/VAT will not be imposed or waived if imposed
- ▶ The Dutch customs authorities may grant an extension of payment deadlines up to the 15th day of the month following the month in which these measures are announced to end
- ▶ For excise duty, during the extension period 0.01% collection interest will be charged and no penalties for non/late payment will be imposed
- ▶ For customs duty and other import taxes, an executive regulation is being drafted. The collection interest will not be reduced, but non-compliance penalties may be waived based on individual circumstances
- ▶ When companies received and paid the preliminary tax assessment 2020 and lower profits are expected in 2020, companies can amend the preliminary tax assessment and get a refund of the paid taxes

Tax litigation

- ▶ Courts are closed, only urgent cases will take place on paper, but not in the court building
- ▶ Hearings 'hoorgesprekken' from the Dutch tax authorities will take place by telephone
- ▶ Custom specific: Pro forma objections and refund request allowed, circumstantially excusably late

Tax audits

- ▶ IRD have not released any official statement about ongoing or new tax audits in relation to COVID-19
- ▶ Anecdotally:
 - ▶ While IRD offices are closed, meetings are still able to go ahead via video-conference
 - ▶ IRD has offered taxpayers the opportunity to delay meetings due to COVID-19 circumstances
 - ▶ Where responses are due from taxpayers, IRD is happy to extend deadlines, so long as the statutory time bar does not come into play
 - ▶ IRD have noted that their responses may take more time as well due to not having access to the same materials as they would have if they were in the office
 - ▶ IRD are likely to delay beginning new audits given the COVID-19 circumstances and due to staff being reprioritised to other areas within IRD to assist with the response to COVID-19

Tax collection

- ▶ Taxpayers are still required to file tax returns by their due date. The due date for responses to the Basic Compliance Package has been extended to 30 June 2020 and IRD can extend the deadline for responses to the International Questionnaire past the 30 April 2020 due date where a request has been made
- ▶ The Government has passed legislation which permits Inland Revenue to remit use of money interest on tax which has not been paid due to the effects of COVID-19. This remission of interest is at the Commissioner's discretion and requires:
 - ▶ The taxpayer's ability to make a payment of tax on or before the due date for the payment to have been significantly adversely affected by COVID-19
 - ▶ The due date for the payment of tax being on or after 14 February 2020
 - ▶ The taxpayer to have asked for the relief as soon as practicable
 - ▶ The taxpayer to have made the payment of tax as soon as practicable
 - ▶ No more than 24 months have passed since 25 March 2020.

Tax litigation

- ▶ While New Zealand is in a lockdown, the courts are considered an essential service and will still be operating. However, only certain cases will be heard during this time, namely, proceedings affecting the liberty of the individual or their personal safety and wellbeing, or proceedings that are time-critical. It is likely that tax cases for the most part do not fall within these categories, however some time-critical tax cases may be heard

Tax audits

Tax collection

- ▶ During the State of National Emergency, an extension of 120 calendar days from 20 March 2020 is granted for the payment of indirect national taxes, without any surcharges, interest or fine applicable, except for the obligation that arises from being a withholding agent
- ▶ Extension of the tax amnesty period from 29 February 2020 to 30 June 2020. Under the amnesty program, taxpayers will receive an 85% reduction in the interest, surcharges and fines imposed on overdue taxes, provided the taxes are paid on or before 30 June 2020
- ▶ During the State of National Emergency, an extension of 120 calendar days from 20 March 2020 is granted for the payment of direct national taxes, without any surcharges, interest or fine applicable, except for the obligation that arises from being a withholding agent, thus including dividend tax
- ▶ Forms and reports that taxpayers had to file during February 2020 may now be filed on or before 30 June 2020. Such forms and reports are: Report of donations received; Non-reporting taxpayers (NGO) report; Payroll report; Reports of retirement funds – pensions and other benefits; Reports submitted by insurers – certification of medical expenses per insured; Certification of interest on residential mortgage loans with preferential interest; Report on purchases and imports of goods and services; Credit card sales reports; Transfer price reports; Income tax returns – individuals; Income tax return – entities; Income tax return – free zones
- ▶ A final deadline is granted for the filing of the income tax return corresponding to the fiscal period 2019 of individuals and legal persons, until 30 May 2020

Tax litigation

- ▶ There is a suspension of administrative and judicial deadlines

Tax audits

- ▶ The Tax Authority's inspections/audits have been suspended during the state of quarantine in Peru

Tax collection

- ▶ Tax Authority will not apply fines
- ▶ There will be flexibility on payment of tax debts during the period of quarantine
- ▶ An early and extraordinary release of funds from VAT accounts of taxpayers will be authorized to give more liquidity to companies
- ▶ Deferral facilities granted for advance income tax payments
- ▶ **Tax debtors.** For individuals and small/medium-sized enterprises with income of up to US\$2.3M, there is a three month extension of term to comply with books and records requests related to tax matters and deadlines for filing tax affidavits
- ▶ Refunds of the Selective Consumption Tax levied on fuel for carriers providing transportation services to people nationwide

Tax litigation

- ▶ Suspension of the Tax Authorities activities

Tax audits

- ▶ All tax audits are suspended for the duration of the Enhanced Community Quarantine (ECQ) which is set to last until 14 April 2020 unless extended
- ▶ The deadline for protest letters to notice of deficiency tax assessment notices is extended for 30 days from the date of lifting of the ECQ

Tax collection

- ▶ The deadline for filing of Annual Income Tax Returns and payment is extended for 30 days from 15 April 2020 for taxpayers on calendar basis of accounting
- ▶ The deadline for filing an Application for Tax Amnesty on Delinquent Accounts is also extended for 30 days from 23 April 2020
- ▶ The deadline for filing monthly VAT returns is extended from 20 March 2020 to 20 April 2020
- ▶ The deadline for other tax returns is extended for 30 days from their assigned filing date deadline

Tax litigation

Tax audits

Tax collection

- ▶ The Personal Income Tax declaration deadline is postponed by at least one month
- ▶ Social security contributions may also be postponed and after deferment, repayment in installments in order to avoid accumulation of payments is also possible

Tax litigation

Tax audits

- ▶ The limitation periods for all types of administrative procedures and court proceedings are suspended, with precedence over any regimes that establish mandatory maximum limitation periods, which are extended for the period in which the exceptional situation takes effect

Tax litigation

- ▶ **The judicial holiday regime** applies to procedural acts that must be taken within the scope of administrative procedures and court proceedings, which are enforced by the judicial courts, administrative and tax courts, Constitutional Court, Court of Auditors, arbitral tribunals, the Public Prosecutor's Office and other alternative dispute resolution entities and tax enforcement bodies
- ▶ **The limitation periods for all types of administrative procedures and court proceedings are suspended**, with precedence over any regimes that establish mandatory maximum limitation periods, which are extended for the period in which the exceptional situation takes effect
- ▶ **The suspension and extension of deadlines also applies, with the necessary adaptations, to administrative and tax deadlines that are in favor of taxpayers**, namely those governing the filing of judicial reviews, administrative claims, hierarchical appeals or other procedures of the same nature, as well as the filing timeframes under the mentioned tax procedures and proceedings
- ▶ **In urgent cases, the deadlines are suspended**, except when it is technically feasible and the practice of any procedural and procedural acts is permitted through appropriate means of distance communication, namely by teleconference or video call, or when fundamental rights are involved, in which case that the respective acts and diligences are carried out in person

Tax collection

- ▶ Foreclosure procedures: Tax debt enforcement proceedings are stayed for three consecutive months
 - ▶ Special Payment on Account: Deadline postponed to 30 June (instead of 31 March)
 - ▶ CIT return & payment: Deadline postponed to 31 July (instead of 31 May)
 - ▶ First Payment on Account & first Additional Payment on Account: Deadlines postponed until 31 August 2020
 - ▶ VAT and withholding tax may be paid in three monthly interest-free instalments, or in six monthly instalments (interest being applied only on the last three months), without the need to provide any guarantee
- This measure is only available for:
- ▶ Companies with a turnover below €10M in 2018 or companies who started activity as from 1 January 2019
 - ▶ Companies with a 20% reduction (vs. prior year) of the average turnover of the three months preceding the tax obligation deadline
- ▶ Social Security contributions to be reduced to 1/3 during March, April and May, whereas the remainder due as of April, May and June may be paid as from the 3rd quarter of 2020 (i) in three monthly interest-free instalments, or (ii) in six monthly instalments (interest being applied only on the last three months), without the need to provide any guarantee

This measure is only available for:

- ▶ Companies with a headcount up to 50 employees
- ▶ Companies with a headcount up to 250 employees provided that they suffered a 20% reduction (vs. prior year) of the average turnover of the last three months

Tax audits

- ▶ The Puerto Rico Treasury Department (PRTD) granted an additional 120 days to address any mathematical errors or return adjustment notices issued by PRTD
- ▶ Revision letters regarding alleged debts in process of being evaluated – an additional 120-day period was granted to any letter issued on or before 12 March 2020
- ▶ Internal revenue licenses – A notice of alert was issued about the risk of suspension of license and the imposition of penalties if businesses do not comply with lockdown rules decreed by the Puerto Rico Governor

Tax collection

PRTD

- ▶ The PRTD announced a moratorium for payment plans until 30 April
- ▶ Estimated income tax installments due on 16 March are delayed until 15 April
- ▶ Estimated income tax installments due on 15 April are delayed until 15 May
- ▶ Any payments or deposits due between 15 March and 15 April are extended for one month
- ▶ Bi-monthly Sales and Use Tax (SUT) deposits due 12 and 31 March are not extended, but no penalty will be assessed if the balance due is paid with the SUT return due on 20 April 2020
- ▶ SUT monthly returns and the Tax on Imports monthly returns are extended for an additional month for March (due with the extended time on 10 April 2020)
- ▶ The purchase of articles of first necessity/aid as defined in the PRTD's pertinent guidance is SUT free from 23 March 2020 through 30 April 2020
- ▶ The sale of processed food as defined under PRTD guidance is SUT free from 20 March 2020 through 19 April 2020

PR Department of State

- ▶ Annual Report & Annual fee deadlines extended until 15 May

Director of Finance Municipalities

- ▶ Municipal license tax payment deadline extended until 22 May

* Income tax returns and payments may be postponed further until 15 July 2020 as announced on 23 March 2020 by the Governor of Puerto Rico. This extension could impact the above due dates. However, no publication or guidance from the PRTD has been issued at this time

Tax litigation

Administrative level

- ▶ The PRTD announced that all the terms for the presentation of information or documents required by the Office of Administrative Appeals that were due from 12 March forward are automatically extended for a term of 90 days
- ▶ The PRTD announced that any administrative hearing scheduled between 16 March and 15 June is automatically suspended

Tax audits

Tax collection

Tax litigation

- ▶ The General Tax Authority extended the deadline of filing tax returns for the State Income Tax Regime by two months from 30 April until 30 June 2020

Tax audits

Tax collection

Tax litigation

- ▶ On 13 March 2020, the Ministry of Finance announced that in response to the COVID-19 pandemic, the first payment deadline of 2020 for the taxes on buildings, lands and transportation means is postponed from 31 March 2020 to 30 June 2020

Tax audits

- ▶ New onsite tax audits may not be initiated before 1 May
- ▶ Ongoing tax audits shall be paused before 1 May; performance of tax control measures requiring direct interaction with people is prohibited (hearing of witnesses, etc.)
- ▶ Performance of other types of audits (currency control, cash operations, etc.) are also limited

Tax collection

Under a proposed bill, the Government in 2020 may:

- ▶ Postpone or cancel tax control measures and terms
- ▶ Extend terms to pay taxes
- ▶ Extend terms to submit tax returns and financials
- ▶ Offer additional clauses to postpone tax payment
- ▶ Offer additional clauses to get relief from tax liability

These measures have been announced but are not yet enacted

- ▶ Postponement of payment of insurance contributions for small and medium enterprises for three months
- ▶ Postponement of payments of taxes (excluding VAT and PIT) and insurance contributions for industries highly impacted by the coronavirus (air carriage, tourism, sports industry, cultural area) for three months
- ▶ Postponement of payment of all taxes (excluding VAT and PIT) for six months for small and medium-sized enterprises
- ▶ Review of terms for submission of tax returns
- ▶ Non-execution of suspension of operations on bank accounts by the tax authorities for small and medium-sized enterprises
- ▶ Non-execution of tax debt collection procedures for small and medium-sized enterprises

Tax litigation

- ▶ The Russian Ministry of Finance announced that violation by foreign counterparties of the terms of foreign trade contracts, if caused by force majeure (epidemiological situation), can be considered as an evidence that residents are not responsible for violation of currency control regulations
- ▶ However, each case of violation will be considered separately, taking into account all circumstances

Tax audits

Tax collection

- ▶ An additional two months of interest-free installments to settle is granted to settle the estimated tax liabilities when companies file their estimated chargeable income within three months from their financial year-end
- ▶ An automatic deferment of income tax payments for three months applies for companies (for payments due in April to June 2020) and self-employed persons (for payments due in May to July 2020).
- ▶ A similar deferment of income tax payments for employees (for payments due in May to July 2020) is available at their option
- ▶ If taxpayers are facing financial difficulties and need help with their tax payment as a result of the COVID-19 outbreak, they can request for a longer installment payment arrangement
- ▶ So far, no extension was announced on the deadline for filing for both personal and corporate income tax returns

Tax litigation

- ▶ No deferment or suspension of litigation activities announced

Tax audits

- ▶ Postponement of routine state audits

Tax collection

- ▶ The Slovak government on 16 March announced that companies can expect three more months for filing their 2019 corporate income tax returns, sanction-free loan payment deferrals and improved access to low-interest loans as part of a new coronavirus-action plan
- ▶ Companies can also expect to carry forward losses for more than four tax years and a partial waiver of employers' social security and health contributions for employees idled due to production interruptions or stoppages

Tax litigation

- ▶ General pardon for social and health security payments for self-employed workers for March, April and May. These payments will be paid during the following 18 months
- ▶ General pardon for social and health security payments and employment taxes for employers which had to close their business or are affected by the COVID-19 in a severe way
- ▶ Extension of deadline for customs procedures

- ▶ These are proposals of the previous administration and a new Slovak government was sworn in on 20 March. The new government has confirmed that they generally agree with current proposals, however, new or amended proposal of economic and tax measures have not yet been implemented

Tax audits

- ▶ Royal-Decree Law 7/2020 provides small and medium-sized companies may defer the payment of certain tax debts (amounts due not exceeding €30,000 for up to six months – the first three months without incurring delay interest)
- ▶ For these purposes small and medium-sized companies are those whose turnover in the previous year does not exceed €6,010,121.04 in 2019

Personal Tax

- ▶ The Statute of Limitations (SoL) and Expiry periods of any actions and rights will be suspended during the period of validity of the State of Alarm and, if necessary, of any extensions adopted. Therefore, among others, the four-year SoL period is suspended
- ▶ Royal-Decree Law 8/2020 establishes an extension of the debt payment terms tax on voluntary or executive period, as well as in the pressing (apremio) procedure; and (b) deadlines for the formalities of tax procedures as, sanction or ex officio review (information requirements or seizures, allegations)
- ▶ Royal Decree 465/2020 clarifies that deadlines to file periodic returns (such as the VAT returns, the CIT return and Personal Income Tax) are not suspended
- ▶ Such an extension of time does not affect the payment of periodic self-assessment returns/liquidations, but only liquidations drawn by the Administration and debts in the executive period
- ▶ This expansion takes place until 30 April for deadlines and formalities that have not ended on 17 March (the Royal-Decree Law enters into force on 18 March); and at least until 20 May for those that start from 17 March

Tax litigation

- ▶ The term of administrative and court procedures are suspended and deadlines are “interrupted” (including tax and penalty procedures)

Tax audits

Tax collection

- ▶ Several proposals are under way, one of which is the possibility to postpone payment
- ▶ Cashflow support for all businesses through the possibility of postponing payment of VAT, social security contributions and tax withheld from employee salaries. These new regulations are proposed to enter into force on 7 April 2020, but to have retroactive effect from 1 January 2020, meaning that taxes already paid can be reclaimed
- ▶ VAT, social contributions and preliminary taxes in Sweden are normally paid monthly (or quarterly). A tax payer can under a new initiative apply for respite with these kind of payments, and this will be granted for up to 12 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 may be postponed). The initiative is intended to mitigate cash flow issues due to the crisis

Tax litigation

Tax audits

Tax collection

Tax litigation

▶ **Extension of Filing of Tax Returns**

- ▶ CIT return filing deadline, originally on 1 June 2020, can be extended to 30 June 2020 if the responsible person, chief accountant, or the tax agent is under treatment or quarantined because of COVID-19
- ▶ Individual tax return filing deadline, originally on 1 June 2020, can be extended to 30 June 2020 if the taxpayer or the tax agent is under treatment or quarantined because of COVID-19
- ▶ Similar extension are also available for VAT, WHT, Commodity tax, etc.

▶ **Extension of Tax Payments**

- ▶ Taxpayers who have difficulty in paying tax bills due to the impact of Covid-19 may file an application for an extension not exceeding one year or installment payments not exceeding three years

▶ **Additional Tax Deduction on Salary Payments to Employees:**

- ▶ Employers providing fully paid epidemic-prevention leave to employees can enjoy a 200% tax deduction of the salary paid to those employees on epidemic-prevention leave

Tax audits

- ▶ Certain Tax Office is closed due to building shutdown
- ▶ Work from home arrangement has been adopted by certain tax offices
- ▶ Tax officers avoid meeting in persons and encourage communications/ and meetings through email exchanges and/or video conferences as much as possible

Note: *Emergency Decree is expected to be effective as from 26 March 2020*

Tax collection

- ▶ Extension of the deadline for annual personal income tax return filing and payment for the tax year 2019, from 30 June 2020 (previously postponed from 31 March 2020) to 31 August 2020
- ▶ Extension of the deadline for corporate income tax return filing and payment for companies or juristic partnerships that are not listed on the Stock Exchange of Thailand:
 - ▶ For the fiscal year 2019, annual corporate income tax return (PND50), from May 2020 to 31 August 2020
 - ▶ For the fiscal year 2020, half-year corporate income tax return (PND51), from August 2020 to 30 September 2020
- ▶ For prescribed entrepreneurs who are affected by the COVID-19 situation, extension of the deadline for payment of tax under the Revenue Code such as value-added tax (VAT), specific business tax (SBT) and etc. for another one month
- ▶ The deadline for excise tax payment for petroleum and petroleum product entrepreneurs is extended by postponing the submission of tax payment to the Excise Department from within 10 days to the 15th day of the following month the goods are taken from an industrial facility or a bonded warehouse, for three months (April-June 2020)
- ▶ Extension of the deadline for excise tax filing and payment for service business operations prescribed under the Excise Tariff Rate Schedule by postponing the submission of tax return filing and payment to Excise Department to be within 15 July 2020
 - ▶ This measure shall apply to nightclub, discotheques, pubs, bars, lounges. Including places that sell food and alcohol drinks by providing music or other performances for entertainment purposes that are closed after midnight

Further details of this measure and associated regulations have yet to be announced

Tax litigation

Tax audits

Tax collection

Tax litigation

- ▶ The President has announced a stimulus package including support for financial institutions and deferral of certain tax payments
- ▶ The annual income tax filing period is extended until the end of April (March is the normal period)
- ▶ VAT payments are deferred for six months for certain industries (tourism, steel, retail), VAT rate is reduced to 1% for domestic flights, the new hospitality tax is deferred to November

Tax audits

- ▶ **Tax audits:** Moratorium on documental and factual tax audits from 18 March until 31 March 2020 (except for VAT refund tax audits) and suspension of ongoing tax audits until 31 May 2020

Personal

- ▶ **Personal income tax:** Extension of the deadline for 2019 annual tax return filing until 1 July 2020 and the deadline for tax payment on such tax returns – until 1 October 2020
- ▶ **Unified Social Tax:** Relief from UST self-payments for private entrepreneurs and self-employed individuals for the period from 1 March until 30 April 2020. For the same period – relief from basic fines and penalties and a moratorium on tax audits related to UST
- ▶ **Land fee:** Relief from land fee for land used in business activities of individuals and legal entities for the period from 1 March until 30 April 2020
- ▶ **Real estate tax:** Relief from real estate tax on non-residential property for the period from 1 March until 30 April 2020
- ▶ **Cash registers:** A three month postponement for the new cash register rules introduced by Laws No.128-IX and No.129-IX of 20 September 2019

Tax litigation

- ▶ **Tax fines:** Relief from most fines for tax violations committed between 1 March and 31 May 2020 (does not apply to fines related to VAT, excise tax, royalties, etc.)
- ▶ **Penalty:** Relief from penalties from 1 March until 31 May 2020
- ▶ **Unified Social Tax fines:** Relief from the fines for violation of the UST rules committed between 1 March and 30 April 2020
- ▶ **Statute of limitations:** Suspended for the period from 18 March till 31 May 2020

Tax audits

Tax collection

Tax litigation

- ▶ From a tax perspective, there were no changes proposed to the way “Time to Pay” arrangements operate
- ▶ The current process for deferring tax liabilities provides immediate relief, but, even with the newly dedicated resource, is potentially a time consuming and uncertain process
- ▶ By making it available automatically on request, the Chancellor could remove a huge area of concern for business

Tax audits

- ▶ The Internal Revenue Service (IRS) has closed all Taxpayer Assistance Centers and discontinued face-to-face service throughout the country
- ▶ All IRS employees who are able to telework are now being required to do so
- ▶ Live phone assistance has largely been suspended until further notice (including the Practitioner Priority Service)
- ▶ Effective 1 April-15 July:
 - ▶ The IRS will generally not start new audits, but will continue to work refund claims. New audits may be opened if necessary to preserve the statute of limitations
 - ▶ For existing audits, though IRS examiners will not hold in-person meetings, they will continue their examinations remotely, where possible. Appeals employees will also continue to work their cases by phone and videoconference
 - ▶ Information Document Request (IDR) enforcement procedures will generally be suspended

Tax collection

- ▶ Extension of 15 April 2020 deadline for filing of income tax returns and payment of income taxes (including self-employment taxes) until 15 July 2020
- ▶ Payment and filing extensions do not apply to non-income taxes or to non-income tax returns (including information returns), or to returns due on days other than 15 April.
 - ▶ Exception: gift tax payments and returns due April 15 have now also been extended to July 15
- ▶ New automatic, systemic liens and levies will be suspended until 15 July. Liens and levies initiated by field revenue officers will also be suspended until 15 July
- ▶ A number of tax incentives are available to employers whose businesses have been affected by Covid-19
- ▶ Reversing a provision of the TCJA, NOLs generated in tax years 2018, 2019 and 2020 may now be carried back, without limitation, for five years

Tax litigation

- ▶ U.S. Tax Court is closed until further notice. March and April 2020 hearings and trials have all been postponed. Taxpayers may comply with statutory deadlines for filing petitions or notices of appeal by timely mailing a petition or notice of appeal to the court. E-file is still available. Hand delivery to the court will not be accepted
- ▶ Individual Federal district courts and courts of appeal have issued their own orders regarding public access to the court, status of pending cases and instructions regarding filing new matters

Tax audits

- ▶ Tax Administration (SENIAT) continues to operate, since as of this date, no suspension or extension of compliance with tax obligations has been published
- ▶ However, according to the Master Tax Code, these are understood as non-business days for the computation of tax obligations and penalties and based on the State of Alarm Decree issued by the Government, it could be interpreted that administrative procedures are suspended, even when it is not expressly indicated in the Decree

Tax collection

- ▶ Tax Administration (SENIAT) continues to operate, since as of this date, no suspension or extension of compliance with tax obligations has been published
- ▶ However, according to the Master Tax Code, these are understood as non-business days for the computation of tax obligations as banking branches are closed
- ▶ Due to the quarantine measure adopted by the Government, banking branches are closed and for those taxpayers that do not have accounts in public banking institutions (in which case payments are allowed to be made through wire transfer), it is not possible to execute the payment of tax obligations as It is required to make payments in bank check

Tax litigation

- ▶ On 20 March 2020 the Supreme Court published a court decision which established the discontinuance of judicial cases and procedural terms from 16 March to 13 April 2020

Tax audits

Tax collection

Tax litigation

Draft Decree on the extension of VAT and PIT payment deadline

To support companies which are affected by Covid-19, on 10 March 2020, the Vietnamese Government stated that is considering deferring the deadline for payments of value-added tax (VAT), personal income tax (PIT) and land rental fee as below:

1. Extend the deadline to pay VAT

The deadline for VAT payments for March, April, May and June 2020 (for companies declaring VAT on a monthly basis) or Quarter 1 and Quarter 2 2020 (for companies declaring VAT on a quarterly basis) will be extended for five months from the statutory deadline

2. Extend the deadline to pay VAT and PIT for individuals and business households

The deadline for payments of VAT and PIT will be extended to 15 December 2020, applicable to individuals and business households which engage in the business activities that fall into the scope of application of this draft Decree

3. Extend the deadline to pay annual land rental fee

An extension of five months for the first payment of 2020 will be granted to those who directly lease land from the State, pay land rental fee on an annual basis and use such land for the abovementioned business activities

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