



EY Tax Covid-19 Response Tracker

1 April 2020



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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 in [Labor and Employment Law](#) and [Immigration Policy](#). EY Tax professionals are updating the trackers regularly as the situation continues to develop.

Jurisdictions covered (103)

Algeria	Canada	Estonia	Iceland	Latvia *	Morocco	Portugal	South Korea	United Arab Emirates
Argentina	Chile	European Union	India	Lebanon	Netherlands *	Puerto Rico	Spain	United Kingdom
Armenia	Colombia	Finland	Indonesia *	Lithuania	New Zealand *	Qatar	Sweden	United States *
Australia *	Costa Rica	France	Iraq	Luxembourg	Nigeria	Romania *	Switzerland	Uruguay
Austria	Curacao	Georgia	Ireland *	Macedonia	Norway	Russia *	Syria	Uzbekistan
Bahrain	Cyprus	Germany	Israel	Mainland China *	Oman	Rwanda	Taiwan	Venezuela
Barbados	Czech Republic	Ghana	Italy	Malaysia *	Palestine	Saudi Arabia	Thailand	Vietnam
Belgium	Denmark	Gibraltar	Jamaica *	Malta	Panama	Serbia	Trinidad and Tobago	
Bolivia	Dominican Republic	Greece	Japan	Mauritius	Paraguay	Singapore *	Tunisia	
Bosnia and Herzegovina	Ecuador	Guatemala	Jordan	Mexico	Peru	Slovakia	Turkey	
Brazil	Egypt	Hong Kong	Kenya	Moldova	Philippines *	Slovenia	Uganda	
Bulgaria	El Salvador	Hungary	Kosovo	Montenegro	Poland *	South Africa	Ukraine	

* New jurisdiction * Updated in today's edition

Overview

- ▶ The Directorate General of Taxes has informed taxpayers other than those registered at "DGE" (Tax Directorate of big companies) that the filing of declarations and the payment of duties and taxes related to the monthly tax return of February (in principle to be submitted before March 20th) are postponed exceptionally to April 20th, without application of penalties.

Personal tax

- ▶ Postponement of monthly tax return G n° 50 submission for February until 20 April 2020 for taxpayers other than those registered at the DGE.

VAT, GST and trade

- ▶ Postponement of monthly tax return G n° 50 submission for February until 20 April 2020 for taxpayers other than those registered at the DGE.

Business tax

- ▶ Postponement of monthly tax return G n° 50 submission for February until 20 April 2020 for taxpayers other than those registered at the DGE.

Links and resources

Government materials

<https://www.mfdgi.gov.dz/index.php/8-contenu-en-francais/actualites/1625-test>

Overview

- ▶ Argentina has issued emergency measures to address economic impact of Covid-19 pandemic.
- ▶ Suspension by the Federal tax authority between March 18 and 31 March 2020 of procedural time limits related to federal tax, social security and customs obligations. This measure does not include the extension on regular deadlines previously established for tax returns filings and payments.
- ▶ Federal tax authority agencies will limit on-site attention to taxpayers until March 31, 2020, rescheduling the appointments already planned. Other Government agencies (e.g. Inspection Board of Legal entities) are limiting/restricting on-site attention.
- ▶ Suspension of time limits between March 20 and March 31, 2020 on all administrative procedures ruled by Law No. 19,549.

Personal tax

- ▶ Extension of due date to 30 April 2020 for employees to inform their employers on general and personal deductions for income tax applicable for tax year 2019 (Form 572).
- ▶ Extension of due date to 29 May 2020 for employers to prepare annual income tax on their employees for tax year 2019.

VAT, GST and trade

- ▶ Exemption of import duties for medical supplies and vaccines
- ▶ Acceleration on export drawbacks

Business tax

- ▶ Exemption of Social Security taxes for certain companies engaged in activities particularly affected by the Covid-19 pandemic (e.g. tourism, entertainment industries, restaurants, hotels and passenger transport activities). This exemption could potentially be extended to companies dealing with logistic or supply chain issues due to the pandemic
- ▶ Reduction for 90 days of 95% of Social Security contributions for employers on health activities
- ▶ Reduced 0.25% and 0.5% rates (instead of general 0.6% and 1.2%) on tax on debits and credits in bank accounts for employers on health activities for 90 days.
- ▶ Mandatory use of electronic filings with the Federal Tax authorities on certain proceedings and formalities until 30 June 2020.
- ▶ Exemption of Social Security taxes (except national healthcare insurance and National Institute of Social Services for Retirees and Pensioners (PAMI)) on salaries paid to employees subject to the mandatory preventive isolation that cannot work from home (to be further regulated)

Links and resources

Government materials

- ▶ <https://www.argentina.gob.ar/noticias/los-ministros-de-economia-y-de-desarrollo-productivo-anunciaron-un-paquete-de-medidas-para>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=335646>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=335423>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335742/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335745/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335797/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335801/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335796/norma.htm>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>As a counter measure to the outbreak of Covid-19 in Armenia, the draft Government decree introduces support to businesses in the form of co-financing, re-financing, or subsidizing interest of targeted loans when borrowing them from licensed banks or credit organizations operating in the territory of Armenia.</p> <ul style="list-style-type: none">► By co-financing, the legislator aims to partially reduce the risk of currency volatility, partially decrease interest expenses, as well as resolve the problem of insufficient level of security means for the businesses.► By refinancing, the legislator aims to completely neutralize the risk of currency volatility and partially decrease interest expenses.► Finally, by subsidizing the interest, the legislator aims to substantially reduce interest expenses incurred by businesses. <p>Only one of the above three forms of assistances may be applied per business.</p>				<p>Government materials</p> <p>https://www.gov.am/am/news/item/14159/</p>

Overview

Federal Government

- ▶ On 24 March 2020, Parliament passed approximately A\$86b in previously announced economic stimulus measures. The associated legislation was also enacted on that date.
- ▶ On 30 March 2020, the Government announced the A\$130b JobKeeper Payment to help keep Australians employed. This brings the Government's total economic support for the economy to A\$320b across the forward estimates, representing 16.4% of annual GDP.

State and territory governments

- ▶ Combined economic stimulus and support packages in excess of A\$12.5b.
- ▶ Electricity bill support: \$2,500 credit for small business users in Western Australia.

Foreign Investment Review Board

- ▶ Foreign investments into Australia and corporate reorganisations will require approval regardless of value or nature effective from 29 March 2020

Industry specific

- ▶ Federal Government assistance for severely impacted regions; industry sectors: tourism, agriculture, education and aviation.
- ▶ Hospitality, tourism, seafood, export and other sectors get support at state and territorial level.

Personal tax

- ▶ The Australian Taxation Office (ATO) continues to issue frequently asked questions which include guidance for employees stranded in foreign countries.
- ▶ Temporary early release of superannuation amounts is permitted for individuals and sole traders directly impacted by Covid-19 enabling access up to A\$10k of their superannuation, on a tax-free basis in 2019-20, and up to a further A\$10k in 2020-21 with no tax imposed on withdrawals.
- ▶ Temporary reduction in superannuation minimum drawdown rates by 50% for the 2019-20 and 2020-21 income years permitting retirees to retain additional capital in superannuation funds which are subject to substantial tax concessions.

VAT, GST and Trade

Mainly administrative concessions relating to deferral of GST payments and acceleration of GST refunds:

- ▶ Refer to section below on ATO administrative concessions.
- ▶ Businesses must contact the ATO to obtain the concessions.

Business tax

JobKeeper Payment

- ▶ Law for the \$130b Job Keeper subsidy is still being developed but it revolves around a A\$1,500 fortnightly payment per retained employee through their employers. Eligible employers include businesses with turnover <A\$1b where turnover has fallen by 30% (of at least 1 months) or fallen 50% (of at least 1 months) for businesses with turnover >A\$1b. The subsidy is for 6 months.

Federal tax incentives enacted for businesses with aggregated annual turnover below A\$500m

- ▶ **Instant asset write-off (IAWO) increased to A\$150,000** for new or second-hand assets first used or installed ready for use from 12 March until 30 June 2020. Applies on a per asset basis.
- ▶ **Accelerated tax depreciation until 30 June 2021:** This 15-month investment incentive provides accelerated depreciation for 50% of the cost of a new depreciable asset on installation, which are acquired after 12 March 2020 and first used or installed by 30 June 2021.

Other tax measures enacted for small and medium-sized businesses

- ▶ **Cash flow support for employers:** Tax-free payments up to A\$100,000 for employers with an aggregated annual turnover of less than A\$50m.
- ▶ **Support for apprentices and trainees:** Eligible small business employers with less than 20 employees can apply for a wage subsidy of 50% of the wages for such employees (in training as at 1 March 2020) for up to 9 months from 1 January to 30 September 2020, up to A\$21,000 per apprentice.

ATO continues to issue guidance for COVID-19 risk areas

- ▶ Central management and control should not be in Australia where a foreign company holds board meetings in Australia due to travel restrictions.
- ▶ Unplanned foreign employee presence in Australia may not lead to a permanent establishment in Australia.

Business tax (continued.)

ATO administrative concessions for business affected by Covid-19

- ▶ Access to relief options below must be agreed with the ATO and will vary on a case-by-case basis.
- ▶ Payment deferrals of up to six months for Business Activity Statements (BAS) payments (including pay-as-you-go instalments), income tax, fringe benefits tax and excise tax.
Important separate guidance in relation to Superannuation Guarantee (SG) including any SG amnesty payments.
- ▶ Acceleration of GST refunds by changing reporting cycle to monthly.
- ▶ PAYG instalments may be varied down to zero for the March 2020 quarter and a refund claimed for instalments made for the September and December 2019 quarters. Alternatively, refunds/deferrals can be requested purely for cashflow purposes. In both scenarios, penalties for instalment shortfalls in the end of year true up will be waived.
- ▶ Remission of interest and penalties on tax liabilities incurred on or after 23 January 2020 and low interest payment plans for businesses with ongoing tax liabilities.

R&D AusIndustry lodgement due date extension to 30 September 2020 for companies with 30 June year ends. The R&D benefit is a tax offset worth 8.5c per \$1 of R&D expenditure for companies with global revenue >A\$20m or a cash refund of 43.5c per \$1 for companies with global revenue <\$20m.

Business tax (continued.)

State payroll tax measures

- ▶ **Australian Capital Territory:** interest free deferral for FY20/21 until 1 July 2022 for businesses with payroll <\$A10m and waiver for hospitality, creative arts entertainment April to September 2020 (both on application).
- ▶ **New South Wales:** deferral of 6 months for businesses with payroll >A\$10m.
Businesses with payroll <A\$10m: i) Payroll tax waiver for 3 months until end of FY19/20; ii) 25% reduction in annual payroll tax liability upon lodgement of the annual reconciliation; iii) Payroll tax deferral for additional 3 months.
Payroll tax cuts by increasing exemption threshold to A\$1m in FY20/21
- ▶ **Northern Territory:** exemption for hiring Territory employees extended to 30 June 2021.
- ▶ **Queensland:** Negatively impacted businesses with payroll >A\$6.5m (may need to apply online): i) Refund for 2 months; ii) Deferral for the 2020 calendar year (until 14 January 2021).
Businesses with payroll <A\$6.5m (apply online): i) Refund for 2 months; ii) waiver for 3 months; iii) Deferral for the 2020 calendar year (until 14 January 2021).
- ▶ **South Australia:** Businesses with payroll > A\$4m get 6 months deferral on demonstration of significant impacts on cash flow . Businesses with payroll up to A\$4m get waiver for 6 months (both on application).
- ▶ **Tasmania -** Waiver for the entire financial year FY19/20 for businesses in the hospitality, tourism, seafood and export sectors. Waiver for March to May 2020 for negatively impacted businesses with payrolls <A\$5m. 1 year rebate from April 2020 for businesses employing persons 24 or under.
- ▶ **Victoria -** Refunds for FY19-20 for small and medium-sized businesses with payroll of <A\$3m and deferral for the first 3 months of the 30 June 2021 financial year until 1 January 2021.
- ▶ **Western Australia -** One-off grant of A\$17,500 for businesses with a payroll between A\$1m and A\$4m. Waiver for the period between 1 March and 30 June 2020 for businesses with Australia-wide annual wages of less than A\$7.5m in the 2019/20 income year on application; and if less than A\$5m by ticking a box on the return.
Payroll tax cuts by increasing exemption threshold to A\$1m in FY20/21.

Links and resources

EY Materials

Rolling updates from Australia and New Zealand:
https://www.ey.com/en_au/covid-19/oceania-covid-19-response

Tax Alert on enacted stimulus legislation:
<https://asia-pac.ey-vx.com/287/14440/landing-pages/ey-tax-alert---australian-covid-19-economic-stimulus-support-measures-enacted--action-required-by-business.pdf>

Federal Government materials

Omnibus Measures Bill 2020:
<https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome>

Federal Government stimulus packages:
<https://treasury.gov.au/coronavirus>

Third stimulus package (JobKeeper assistance):
<https://treasury.gov.au/coronavirus/jobkeeper>

ATO materials:

COVID landing page
<https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19>

Overview

- The Austrian Federal Ministry of Finance issued a decree on 14 March 2020 that shall help to safeguard businesses against liquidity shortages. This decree was replaced by a decree issued on 24 March 2020 to concretize individual provisions.
- Prerequisite for all cases and for all applications is that the taxpayer can credibly argue that liquidity shortages are directly caused by Covid-19 (e.g. break down of the supply chain, change in customer behavior, cancellation of hotel reservations, authority-imposed restrictions).
- The decrees are based on tax procedural law as currently enacted. Tax offices are instructed to process all applications with immediate effect. To facilitate applications and processing, the decree lists simplified draft wordings for applications.
- Taxpayers can apply to defer tax payments or to pay taxes in instalments. This already applies for tax payments due on Monday 16 March 2020 (e.g. VAT January 2020, Wage Tax, Employer's Contributions for February 2020). Independent of payment facilities, taxes still have to be calculated and notified. Requests for deferral or instalments of tax payments can be applied until 30 September 2020.
- Taxpayers can apply to not levy interest on deferral of payments; such applications need to be filed together with applications to defer tax payments or to pay taxes in instalments.
- The filing deadline for tax returns 2018 filed by an Austrian tax advisor has been extended until 31 August 2020.
- Tax offices are instructed to not levy interest on late payment for tax payments if the failure to meet a payment deadline occurs until 1 September 2020.
- On 15 March 2020, the Austrian Parliament adopted the first C-19 Act. It includes a new short-time work model which is initially valid for three months but can be extended for a further three months if necessary; independent of the reduction of work, income can remain at up to 90%. The working time of employees must be at least 10% during the entire short-time working period. It can also be reduced temporarily down to 0%. In addition, the law provides for a framework for measures to safeguard liquidity of businesses (to be specified).
- The Covid-19 Law of 15 March 2020 also introduces a special leave of up to three weeks for employees with children under 14 years of age because of the close down of schools and child care facilities. The employer decides whether the special leave can be taken. Employers are entitled to compensation from the government up to one third of remuneration paid to those employees. The special leave does not apply to employees working in a "supply-critical sector" (e.g. pharmacies, food production, etc.).

Personal taxes

- Taxpayers affected by a loss of income due to the Covid-19 virus may apply for a reduction of advance payments of direct taxes for calendar year 2020. The advance payment can even be set to zero in case of liquidity shortages directly caused by Covid-19.
- Tax liabilities, wage taxes, wage tax related duties and social security payments due may be deferred on application without interest.

Overview (continued).

- ▶ On 21 March 2020, the Austrian Parliament adopted the second COVID-19 Act to further manage the Covid-19 crisis.
- ▶ Writings and official acts in connection with Covid-19 are exempt from stamp duties from 1 March 2020 until 31 December 2020.
- ▶ The physical presence of shareholders and board members at meetings is no longer required until 31 December 2020.
- ▶ Open deadlines in front of tax authorities and tax courts are interrupted until April 30, 2020 if started before or after March 16, 2020 and will start again from new beginning with May 1, 2020.

Personal taxes

- ▶ According to the Decree of 24 March 2020 (which replaced the decree of 14 March 2020), taxpayers can apply to reduce quarterly prepayments for income tax to a lower amount or to Zero in case of liquidity shortages directly caused by Covid-19.
- ▶ For companies that are affected by official closures, the social security contributions of February, March and April 2020 are to be deferred without interest on arrears.
- ▶ All other companies can apply to defer social security payments in case of liquidity shortages directly caused by Covid-19. The maximum deferral is extended from one to three months. In case of payment in installments, the maximum period can be extended up to 18 months.
- ▶ Self-employed persons can apply to reduce the social security contribution base, to defer payments and to pay in instalments. There is the possibility to apply to not levy late payment penalties and interest.
- ▶ A hardship fund will be created to provide security in cases of hardship based on Covid-19 for one-person companies, freelancers, non-profit organizations and micro-enterprises. The support programme with up to EUR 1 billion will be handled by the Austrian Chamber of Commerce.

VAT, GST and trade

- ▶ Deferral of VAT payments or instalment payments are possible
- ▶ Application for waiver of interest thereon is possible

Business tax

- ▶ According to the Decree of 24 March 2020 (which replaced the decree of 14 March 2020), it is possible to apply for a reduction of CIT prepayments 2020 to a lower amount or to Zero in case of liquidity shortages directly caused by Covid-19.
- ▶ An application to defer tax payments or to pay taxes in instalments is possible. This already applies for tax payments due on Monday 16 March 2020 (e.g. VAT January 2020, Wage Tax, Employer's Contributions for February 2020). Independent of payment facilities, taxes still have to be calculated and notified.
- ▶ Tax payments can be deferred until 30 September 2020; in case of payment in instalments, taxes have to be paid until 30 September 2020.
- ▶ Taxpayers can apply to not levy interest on deferral of payments; such applications need to be filed together with applications to defer tax payments or to pay taxes in instalments.

Links and resources

Government materials:

- ▶ Decree (GZ: 2020-0.178.784 of 14 March 2020): <https://findok.bmf.gv.at/findok?execution=e1s1>
- ▶ Decree (GZ: 2020-0.190.277 of 24 March 2020): <https://findok.bmf.gv.at/findok?execution=e1s8>
- ▶ Online form for self-employed with regard to social security contributions: <https://www.svs.at/cdscontent/?contentid=10007.857676>
- ▶
- ▶ First COVID-19 Act: https://www.parlament.gv.at/PAKT/VHG/XXVII/A/A_00396/index.shtml
- ▶ Second COVID-19 Act: https://www.parlament.gv.at/PAKT/VHG/XXVII/A/A_00397/index.shtml

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ The Government of Bahrain announced a BHD4.3bn economic stimulus package to support the country's citizens and private sector. <p>On 17 March 2020, the ministers announced an eight-point economic package that commits the government to:</p> <ul style="list-style-type: none"> ▶ Referring a draft law concerning paying the salaries of all private sector employees for three months from April 2020 from the unemployment fund, following constitutional procedures and in line with the Social Insurance Law ▶ Paying individuals' and businesses' Electricity and Water Authority utility bills for three months from April 2020 (up to the costs incurred during the same period in 2019), while also restructuring government administrative costs to offset additional costs incurred by the government ▶ Exempting all individuals and businesses from municipal fees for three months from April 2020 ▶ Exempting all businesses from industrial land rental fees for three months from April 2020 ▶ Exempting all tourism-related industry from tourism levies for three months from April 2020 ▶ Doubling the Liquidity Support Fund to BHD 200 million ▶ Increasing the Central Bank of Bahrain's loan facilities to BHD 3.7bn to allow debt instalments to be deferred and extra credit to be extended ▶ The redirection of all Tamkeen programs (semi-autonomous government agency that provides loans and assistance to businesses) to support adversely affected companies, as well as the restructuring of all debts issued by Tamkeen. ▶ The Ministry of Industry, Commerce and Tourism (MOICT) has postponed the filing deadline for Economic substance return Form (1), for all in-scope entities with a financial year ending 31 December 2019, from 31 March 2020 to 30 June 2020. 				<p>Government materials</p> <ul style="list-style-type: none"> ▶ https://www.bna.bh/en/GovernmentofBahrainannouncesBHD4.3billioneconomicstimuluspackage.aspx?cms=q8FmFJgiscL2fwlzON1%2BDp6Z7IZ3o6%2BzWIZ1S8%2BYrsU%3D

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[Return to jurisdiction list](#)

Overview

- ▶ BBD\$600 per month to be provided to approximately 1,500 vulnerable families and a 40% increase in all rates and fees already paid by the Welfare Department to individuals.
- ▶ Companies retaining at least three-fourths of their workforce will receive a deferral of employers' National Insurance Scheme contributions for three months.
- ▶ Commercial Banks will offer a 3 - 6 month moratorium on existing loans and mortgages to individuals and businesses directly impacted by Covid-19 measures/effects.
- ▶ Commercial Banks will offer temporary working capital financing options for corporate and small business directly impacted by Covid-19.
- ▶ Pending private sector investments primarily in the Tourism sector will be expedited by Government.
- ▶ Government to increase capital expenditure projects beyond those approved in the annual estimates.
- ▶ Employees placed on shortened work weeks will be paid 60% of their earnings for the days on which they do not work. This will be facilitated through the National Insurance Scheme.
- ▶ Government will refinance the Small Hotel Investment Fund with BBD\$20 million to allow small hotels to borrow in order to refurbish their properties. Interest rates will be reduced from 5% to 3.5%.
- ▶ Individuals in the creative industry will benefit from a BBD\$1 million fund under a special program.
- ▶ Government has "strongly encouraged" landlords to temporarily halt evictions. This measure will be codified if necessary.

Personal tax

VAT, GST and trade

Business tax

Links and resources

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Support for temporary unemployment benefits due to Covid-19 (under conditions) ▶ Deferral of payment of social security liabilities for Q1 and Q2 2020 available upon request ▶ Cash incentives set out by Belgian Regional authorities available to companies impacted by Covid-19 ▶ National Labor Council concludes agreement to extend the possibility to introduce temporary unemployment for white collar workers to all Belgian companies 	<ul style="list-style-type: none"> ▶ Upon request, payment plan, waiver of late payment interest, and waiver of penalties for non-payment is available (conditions need to be met) ▶ Deferral of payment and filing of returns for wage WHT 	<ul style="list-style-type: none"> ▶ Upon request, payment plan, waiver of late payment interest and waiver of penalties for non-payment is available (conditions need to be met) ▶ Periodic VAT returns ▶ Return for February 2020, normal deadline being 20 March 2020: deadline extended until 6 April 2020. ▶ Return for March 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020. ▶ Return for the first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020. ▶ Payment of VAT ▶ An automatic deferral of payment of 2 months for VAT without having to pay fines or interest applies. This deferral will apply to: ▶ VAT payment for monthly return - February 2020, normal deadline being 20 March 2020: deadline extended until 20 May 2020 ▶ VAT payment for monthly return - March 2020, normal deadline 20 April 2020: deadline extended until 20 June 2020 ▶ VAT payment for monthly return - first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 20 June 2020 ▶ In addition to this automatic deferral of payment, taxpayers can also apply for instalment payments of the debts relating to VAT 	<ul style="list-style-type: none"> ▶ Upon request, payment plan, waiver of late payment interest, and waiver of penalties for non-payment is available (conditions need to be met) ▶ Deferral of payment of tax liability, extension of filing of corporate income tax returns/non-resident tax returns (due from 16 March to 30 April) to 30 April ▶ Deferral of payment of property taxes ▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-Luxembourg tax treaty ▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-France tax treaty ▶ Fast-track procedure for ruling request (with template) for indemnification of home office costs in relation to Covid-19 ▶ Delay for tax audits or remote tax audits 	<p>EY materials</p> <p>https://www.ey.com/en_be/covid-19</p> <p>Government materials</p> <p>https://finances.belgium.be/fr/entreprises/mesures-de-soutien-dans-le-cadre-du-coronavirus-covid-19</p> <p>https://finances.belgium.be/fr/Actualites/convention-belgo-luxembourgeoise-preventive-de-la-double-imposition-mesure-exceptionnelle</p> <p>https://finances.belgium.be/fr/Actualites/%ef%83%98belgique-france-r%C3%A9gime-travailleurs-frontaliers---coronavirus-covid-19</p> <p>https://www.onem.be/fr/nouveau/chomage-temporaire-la-suite-de-lepidemie-de-coronavirus-covid-19-en-chine-et-dans-dautres-pays-ou-la-maladie-est-propagee-update-18032020</p> <p>https://www.ruling.be/fr/actualites/demande-teletravail-covid-19</p> <p>https://www.socialsecurity.be/site_fr/employer/applics/paymentplan/index.htm</p> <p>https://www.rsz.fgov.be/fr/employeurs-et-onss/mesures-coronavirus/report-de-paiement-des-sommes-dues-l-onss</p> <p>https://finances.belgium.be/fr/Actualites/coronavirus-report-des-controles-sur-place-non-essentiels</p>

Overview

- ▶ Through the Supreme Decrees No. 4196 and No. 4198, the Bolivian government granted some relief benefits to the contributors

Personal tax

VAT, GST and trade

- ▶ Suspension of tax return filing deadlines and applicable fines (until the end of quarantine)
- ▶ Decrease of Transaction Tax (TT 3%) base for next 3 months (April, May and June), by taking out the VAT included in the final price of a transaction (less 13%)

Business tax

- ▶ Suspension of tax return filing deadlines and applicable fines
- ▶ FY19 CIT payment deferral until 29 May 2020
- ▶ Additionally, contributors can pay FY19 CIT in 3 monthly payments. However, 50% of the total CIT must be paid by June on 2020
- ▶ Donations to hospitals (until 10% of FY19 CIT) will be considered as deductibles for FY20 CIT determination

Links and resources

Government materials

- ▶ <https://www.impuestos.gob.bo/ckeditor/plugins/imageuploader/uploads/3324c1f66b.pdf>
- ▶ <http://www.gacetaoficialdebolivia.gob.bo/normas/listadonor/11>

Bosnia and Herzegovina

- ▶ Contact: Ivan Rakić – Tax
- ▶ Last updated: 23 March 2020

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<ul style="list-style-type: none">▶ The Government of Federation of Bosnia and Herzegovina (FBiH) has adopted a Program for stabilization and remediation of the coronavirus pandemic effects. These measures consider the establishment of two funds and a credit line that will serve to support the liquidity of the companies affected by the Covid-19 pandemic.▶ The authorities of the Republic of Srpska (RS) are expected to announce the adoption of similar measures to mitigate the effects of the pandemic, per recommendation of the Chamber of Economy of Republic of Srpska.▶ Both entities have restricted or suspended the working hours of traders, the exceptions to such measures being the companies engaged in the certain segments of the food, medicine and medicinal equipment industries.▶ Moreover, moratorium i.e. deferral of payment of loans for a minimum of three months for individuals and legal entities has been adopted by both the Governments of Federation of Bosnia and Herzegovina and Republic of Srpska and the Banking Agencies of the said entities of Bosnia and Herzegovina.	<ul style="list-style-type: none">▶ The Tax Administration of FBiH has extended the statutory deadline for submission of the annual personal income tax return for 2019 to 15 April 2020.▶ The Tax Administration of RS has extended the statutory deadline for annual personal income tax returns for 2019 for citizens, entrepreneurs and family farms and special republic tax for entrepreneurs and registered weapons for 2020 to 30 April 2020.		<ul style="list-style-type: none">▶ The Tax Administration of FBiH has extended the statutory deadline for submission of the annual business income tax returns (annual tax return and annual report on controlled transactions) for 2019 to 15 April 2020.▶ The Tax Administration of RS has extended the statutory deadline for submission of annual tax returns for 2019 (annual corporate income tax return, annual report on controlled transaction with related parties) and tax returns for municipal tax for 2020 to 30 April.2020.	<p>Government materials (Bosnian language only)</p> <ul style="list-style-type: none">▶ http://kfbih.com/vijesti-vezane-za-korona-virus▶ http://fbihvlada.gov.ba/bosanski/aktue/ino_v2.php?akt_id=8437▶ https://komorars.ba/prijedlog-mjera-podrske-privredi-sa-ciljem-ublazavanja-posljedica-uticaja-virusa-korona-na-privredu-republike-srpske/▶ https://www.vladars.net/sr-SP-Cyrl/Vlada/Premijer/Media/Vijesti/Pages/stabsjednica220320.aspx▶ https://www.vladars.net/sr-SP-Cyrl/Vlada/Premijer/Media/Vijesti/Pages/pres16032020.aspx▶ http://www.pufbih.ba/v1/novosti/1752/rok-za-podnoenje-poreznih-prijava-se-produava-do-15042020-godine▶ http://poreskaupravar.org/SiteLat/Novosti2.aspx?Sadrzajid=15645▶ https://www.fba.ba/upload/docs/saopcenje_odluke_o_moratoriju_2_bos_Uff.pdf▶ https://abrs.ba/lat/odluka-o-privremenim-mjerama/n52

Overview

- ▶ The Brazilian Minister of Economy has presented proposals to counter the economic slowdown deriving from the coronavirus spread. The proposals will need to be analyzed and debated by Congress.
- ▶ On 23 March 2020 the government released Simplifications on the employment contracts such as: teleworking/home office; anticipation of individual vacation; collective vacation; anticipation suspension of determined occupational exams and trainings, suspension of inspection processes, among other labor changes. Based on the compelling reasons resulting from Covid-19 situation, companies are able to reduce salaries and work shift in up to 25%.
- ▶ Other proposals to allow for better access to financing, or anticipated cash payments to certain individuals: (a) Proger/FAT credit for micro and small businesses; (b) simplification of requirements for contracting credit and exemption of documentation for credit negotiation; (c) Anticipation of the 1st installment payment of the 13 salary for retirees and pensioners for April and the 2nd installment payment for May; (d) release of BRL 15 billion in benefits of up to R\$ 600.00 for informal, self-employed and domestic workers for the next 3 months.
- ▶ The Central Bank reduced the SELIC rate (basic interest rate of the Brazilian economy) in 0.5% (from 4.25% to 3.75%).
- ▶ Postponement of loan payments made through Caixa Econômica for at least 90 days (individuals and companies) and reduction on interest rates of loans. The bank has also released funds to loans for public hospitals (BRL 3 billion).
- ▶ Possibility of postponement in the payment of federal taxes in 3 months based on the public calamity state. (Ordinance 12/2012).
- ▶ BNDES emergency credit line for small and medium-sized companies (annual revenues between R\$ 360k-10million), exclusively for the payment of payroll.
- ▶ MP #931/20 postponed to up to 7 months the ordinary general meeting for public and limited liability companies (SA and LTDA) calendar year ending between December 31 2019 and March 31 2020. Public companies may declare dividends prior to the general assembly. The shareholders may participate and vote at a distance. The Securities and Exchange Commission (CVM) may authorize a digital meeting for public and closed companies. Commercial Registry establishments with restrict functioning.

Personal tax

- ▶ New deadline to submit DCBE (Declaration of Brazilian Capital Abroad) :
 - ▶ Up to 1 June 2020 for annual declaration (31 December 2019 as reference date); and
 - ▶ Between 15 and 31 July for 1st quarter 2020

VAT, GST and trade

- ▶ Reduction to 0% of the Import Duty due on import of products necessary to counter covid-19 until September 2020. Products are listed on Annex I of CAMEX Resolution #17/20 and #22/20
- ▶ Simplification and acceleration of customs clearance process for products related to counter covid-19 (fixed assets and raw materials).
- ▶ Reduction to 0% of Excise Tax for local and imported products (Decree #10.285/20 necessary to counter covid-19 until the end of September 2020.
- ▶ SECEX Ordinance No. 18/2020 suspension of import license of products subject to anti-dumping measures: plastic tubes for blood test and disposable syringes. Resolution 23/2020 suspended the anti dumping, until September 30, 2020 for these products.
- ▶ SECEX Ordinance No. 16/2020 and
 - ▶ SUEXT Export Notice nº 08/2020: establishes the Special Export License for products destined to counter Covid-19.

Business tax

- ▶ “Simples” system: Postponement of tax collection - Postponement for 6 months of the deadlines for the payment of debts with mature date originally established at 04/2020, 05/2020 and 06/2020.
- ▶ FGTS:
 - ▶ Suspension of the due date for tax collection of FGTS related to March, April and May 2020, including housekeepers.
 - ▶ Payment of the FGTS of these months in installments, without triggering interest and penalties, in up to six installments, with due date on the 7th of each month, as from July 2020.
- ▶ CARF Ordinance 8,112/20: deadlines suspended, until 30 April 2020, for the practice of procedural acts in administrative proceedings within the scope of the Administrative Council for Tax Appeals (“CARF”).
 - ▶ Postponement of deadlines related to collection assessments in 90 days and facilitation to join debts program (REGULARIZE).
- ▶ RFB Ordinance #543/20: suspension of deadlines with RFB and administrative processes until 05/29/20.
- ▶ Debts enrolled and administered by The National Treasury Attorney's Office (PGFN) (Ordinance PGFN no. 7820): Payment of 1% of the total amount of the debts, divided into up to 3 equal and successive installments and the remainder within 81 months. For social security debts, the installment will be divided in up to 57 months.
- ▶ Suspension for 90 days of deadline to present Requests, Defense or Appeal to PGFN (Until 06/18/20) (Ordinance PGFN no. 7821)
- ▶ Joint Ordinance RFB/PGFN nº 541/20: Extension, until 31 December 2020, of minimum installment amount necessary for the request of installment to PGFN or RFB.
- ▶ Resolution CGSN#153 - extend to 06/30/20 the deadline to submit the Defis and DASN-Simei.(Simples Regime)
- ▶ Circular/CVM/SNC/SEP/#02/20 - Guidelines to report the impact and risks of Covid-19 on the financial statements of publicly held companies.
- ▶ Res. #846 - Extends the period of interruption of the analysis period for public offerings for the distribution of securities submitted for registration, as well as that related to the registration of issuer New deadline date is up to 180 days.
- ▶ Joint Ordinance #555: Postponement, for additional 90 days of the date until a Debt Clearance Certificate (CND) and CPEND are valid (for certificates issued and valid on March 24, 2020)
- ▶ MP #927/20: the expiration date of the certificate issued jointly by the RFB and the National Treasury Attorney's Office of the Ministry of Finance, related to federal taxes and federal past-due liability roster (dívida ativa), will be up to 180 days, from the certificate's issuing date, extendable, exceptionally, in the event of a public emergency, for the period to be determined in a joint act of those agencies.

Links and resources

Government materials

Imported products subject to Import Duty Reduction:

- ▶ <http://www.in.gov.br/en/web/du/-/resolucao-n-17-de-17-de-marco-de-2020-248564246>
- ▶ <http://www.in.gov.br/en/web/du/-/resolucao-n-22-de-25-de-marco-de-2020-249807290>

Products subject to IPI exemption:
http://www.planalto.gov.br/ccivil_03/_Ato2019-2022/2020/Decreto/D10285.htm

Overview

- ▶ On 13 March 2020 the Government announced a state of emergency followed by imposing strict quarantine measures on 20th March 2020.
- ▶ On 23 March 2020 the Government adopted legislative changes to meet the economic needs of the business and the individuals. Generally, the changes concern extension of the legally established deadlines for tax reporting and payment by both businesses and individuals.
- ▶ For the first 3 months of the declared state of emergency, the National Social Security Institute will pay 60% of the employees' salaries, but only to employers, included in an order of the Council of Ministers.

Personal tax

- ▶ The deadline for filing annual tax returns and paying tax under the Personal Income Tax Act (PITA) for persons who are traders within the meaning of the Commercial Act, including sole traders and registered farmers is extended to 30 June 2020. The deadline for using a 5% discount for early filing and payment for them is extended from 31 March to 31 May 2020.
- ▶ For the rest of the individuals, the deadlines under the PITA remain unchanged - the annual tax returns are to be submitted within 30 April 2020. A 5% discount of the tax due is applicable in case of electronic filing of the declaration and payment of the tax by 31 March 2020.

VAT, GST and trade

Business tax

- ▶ The deadline for filing of FY19 Corporate Income Tax Return (CITR) and paying the tax, as well as the deadline for payment of the tax on expenses, are extended to 30 June 2020.
- ▶ All other deadlines for declaring and paying taxes under the Corporate income tax Act (CITA) are extended to 30 June 2020 (instead of 31 March 2020). The deadline for filing of annual statistical reports are also extended to 30 June 2020.
- ▶ The advance monthly CIT installments for FY20 should be declared as follows:
- ▶ If, prior to the entry into force of these measures, an annual CIT return for FY19 was filed, the advance payments shall be determined based on the declared taxable income therein. If necessary, later the taxable person could file a corrective tax return;
- ▶ If by 15 April 2020, the FY19 CIT return is filed, the advance payments shall be determined based on the declared taxable income therein;
- ▶ If the FY19 CIT return is not filed by 15 April 2020, the advance payments shall be declared by filing an annual CIT return in this deadline, completed only in the part related to the advance payments.

Links and resources

- Government materials
- ▶ Ministry of Finance: [Changes related to tax requirements and publication of financial statements in the period of emergency](#) (only Bulgarian version available)
 - ▶ National Revenue Agency: [Declaring and paying taxes and social security contributions during the state of emergency](#) (only Bulgarian version available)
 - ▶ [The Law on Measures and Actions during the state of emergency announced by a decision of the National Assembly on 13 March 2020](#) (only Bulgarian version available)
 - ▶ National statistical institute: [Annual report on the activity of enterprises 2019](#) (only Bulgarian version available)

Overview (continued)

Federal

- ▶ On March 18, 2020, Prime Minister Trudeau announced a new set of economic measures to help stabilize the economy to be delivered as part of the Government of Canada’s COVID-19 Economic Response Plan. The Plan will provide up to CAD\$27 billion in direct support to Canadian workers and businesses.
- ▶ These new measures were in addition to a coordinated package of measures to support the functioning of markets, the resilience of the financial sector and continued access to financing for Canadian businesses on March 13, 2020 by the Minister of Finance, Governor of the Bank of Canada and Superintendent of Financial Institutions.

Provinces

- ▶ A number of Canadian provincial governments have also announced stimulus measures within their own jurisdictions including Alberta, Saskatchewan and Quebec.

Personal tax

- ▶ **Individuals: Extended tax return filing deadline** - For individuals (other than trusts), the 2019 personal tax return filing due date is deferred from 30 April 2020 until 1 June 2020. This extension also applies to Form T1135, *Foreign Income Verification Statement*, and should also apply to any other forms tied to the T1 filing deadline.
- ▶ **Individuals: Deferred payment of income tax** - The payment of any income tax amounts that become owing on or after 18 March 2020 and before September 2020 may be deferred until 1 September 2020. This measure applies to income tax balances and instalments owing under Part I of the *Income Tax Act* (i.e., therefore, this deferral does not apply to remittances and tax payments owing under various other parts of the *Income Tax Act*, such as Part XIII withholding tax). The deferred payments will not be subject to interest or penalties during this period.
- ▶ **Electronic signatures** - Effective immediately, the CRA will recognize electronic signatures as having met the signature requirements of the *Income Tax Act*, on a temporary administrative basis only. This measure will apply to authorization Form T183, *Information Return for Electronic Filing of an Individual's Income Tax and Benefit Return*.
- ▶ **Trusts: Extended tax return filing deadline and deferred payment** - For trusts with a 31 December 2019 taxation year-end, the tax return filing due date is deferred until 1 May 2020. Also, all trusts that have an upcoming income tax balance due date or an income tax instalment payment due date before 31 August 2020, will have their payment due date deferred until 1 September 2020. The CRA has indicated that penalty and interest implications for upcoming trust tax obligations not covered by this relief will be considered on a case-by-case basis.
- ▶ **GST credit: One-time special payment** - In early May 2020, a one-time special payment will be made through the GST credit to assist low- and modest-income individuals and families. The special payment will double the maximum annual GST credit amounts paid for the 2019-20 benefit year.
Enhanced Canada Child Benefit payments - On a one-time basis, for the 2019-20 benefit year only, the maximum annual Canada Child Benefit payment amounts will be increased by \$300 per child. The increase will be included as part of the May 2020 payment.
- ▶ **RRIF and RPP withdrawals** - Effective immediately, the required minimum withdrawals from RRIFs will be reduced by 25% for 2020. Similar measures will be introduced for individuals receiving variable benefit payments under a defined contribution RPP.

VAT, GST and trade

- ▶ **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.
- ▶ **GST/HST and import duties** - The payment of GST/HST remittances, as well as import duties, may be deferred until 30 June 2020. More specifically, this extension applies to GST/HST monthly filers' remittances of amounts collected for the February, March, and April 2020 reporting periods; GST/HST quarterly filers' remittances of amounts collected for the 1 January 2020 through 31 March 2020 reporting period; GST/HST annual filers' remittances of amounts collected and owing for their previous fiscal year, as well as instalments in respect of their current fiscal year, that are due in March, April or May 2020; and payments owing for customs duties and GST on imports for March, April, and May 2020 statements of account (all other payments due to the Canada Border Services Agency, such as on re-assessments, penalties, etc., are also deferred to 30 June 2020).

Business tax

- ▶ **Deferred payment of income tax** - For corporations, the payment of any income tax amounts that become owing on or after 18 March 2020 and before September 2020 may be deferred until 1 September 2020. This measure applies to income tax balances and instalments owing under Part I of the *Income Tax Act* (i.e., therefore, this deferral does not apply to remittances and tax payments owing under various other parts of the *Income Tax Act*, such as Part XIII withholding tax). The deferred payments will not be subject to interest or penalties during this period.
- ▶ **Electronic signatures** - Effective immediately, the CRA will recognize electronic signatures as having met the signature requirements of the *Income Tax Act*, on a temporary administrative basis only. This measure will apply to authorization Form T183CORP, *Information Return for Corporations Filing Electronically*.
- ▶ **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.
- ▶ **Suspension of audit interaction** - For most businesses, the CRA will also temporarily suspend audit interaction with taxpayers and their representatives.
- ▶ **Charities: Extended filing deadline** - For all charities with a Form T3010, *Registered Charity Information Return*, due between 18 March 2020 and 31 December 2020, the filing deadline is extended to 31 December 2020.
- ▶ **Temporary wage subsidy** - Eligible employers that pay remuneration to an employee on or after 15 March 2020 and before 20 June 2020, are permitted to reduce remittances of federal, provincial, or territorial income tax by the amount of the subsidy. As announced on 27 March 2020, the subsidy will be equal to 75% of remuneration paid during that period (up from the 10% subsidy announced on 18 March 2020). As currently provided for on the CRA's website, eligible employers include CCPC's eligible for small business deduction (without regard for the grind-down for passive investment income), as well as individuals (other than trusts), eligible partnerships, non-profit organizations and registered charities; however, it is unclear if new eligibility criteria will apply. This measure is only applicable to remittances made to the CRA.

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Overview	Personal Tax	VAT, GST and trade	Business tax	Links and resources
British Columbia	<ul style="list-style-type: none">► Individuals: Climate action tax credit increase - In July 2020, a one-time special payment will be made by British Columbia (BC) to individuals through an increase in the maximum amounts under its BC Climate Action Tax Credit.	<ul style="list-style-type: none">► Extended tax filing and payment deadlines - Many deadlines are deferred until 30 September 2020, effective immediately. This includes the extension of filing and payment deadlines for PST, employer health tax, motor fuel tax, carbon tax, tobacco tax, and municipal and regional district tax.► Deferral of certain budget measures - Measures announced in the 2020 BC budget (tabled on 18 February 2020) to expand PST registration requirements for Canadian sellers of goods, as well as for Canadian and foreign sellers of software and telecommunication services, and to impose PST on e-commerce transactions and on sweetened carbonated drinks, with effect from 1 July 2020, will be deferred. Similarly, the scheduled increase to the carbon tax, which was to take effect on 1 April 2020, will be deferred.► Reduction in school property tax for 2020 - School property tax for properties in the business and light and major industry property classes (i.e., classes 4, 5, and 6) will be halved for the 2020 tax year.		<p>EY materials</p> <ul style="list-style-type: none">► EY Tax Alert 2020 Issue No. 22 <p>Government materials</p> <ul style="list-style-type: none">► BC news release - COVID-19 Action Plan► BC COVID-19 Action Plan - Provincial Tax Changes

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>Alberta</p>	<ul style="list-style-type: none"> ▶ . 	<ul style="list-style-type: none"> ▶ Deferred payment of WCB premiums - 2020 workers' compensation premiums deferred until 2021 for private sector employers. No interest charges will apply on these unpaid balances. Employers that already paid 2020 premiums entitled to rebate or credit. ▶ Reduction of WCB premiums - Waiver of 50% of the 2020 premiums for small and medium-sized private sector employers with \$10 million or less in insurable earnings for 2020. ▶ Deferred payment of education property tax - Six-month deferral of the education property tax for businesses. ▶ Cancellation of increase to education property tax - Cancellation of the 3.4% increase announced in the 2020 Alberta budget in the education property tax that was scheduled for 2020-21. ▶ Waiver of IFTA credentials - Waiver of international fuel tax agreement (IFTA) credential requirements for Alberta carriers until 30 June 2020. ▶ Extended tourism levy payment deadline - Beginning 27 March 2020, tourist levy payments by hotels and other lodging providers deferred until 31 August 2020, without interest or penalties. 	<ul style="list-style-type: none"> ▶ Extended income tax payment deadline - Beginning 19 March 2020, corporate income tax balances and instalment payments can be deferred to 31 August 2020 (it is unclear at this time whether this deadline be adjusted to 1 September 2020 to align with federal) ▶ Tax audits and collections - Modification of the provincial corporate income tax audit and collection practices. 	<p>EY materials</p> <ul style="list-style-type: none"> ▶ EY Tax Alert 2020 Issue No. 17 <p>Government materials</p> <ul style="list-style-type: none"> ▶ Alberta - COVID-19 support for employers and employees ▶ Alberta - Additional financial support for Albertans and employers ▶ Alberta - WCB Premium relief for employers ▶ Alberta - Education property tax ▶ IFTA Special Notice Vol. 10 No. 3 ▶ Alberta CTA Special Notice Vol. 5 No. 56 (re. Corporate Income Tax Payments) ▶ Alberta - Tax relief for tourism industry

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>Ontario</p>		<ul style="list-style-type: none"> ▶ Doubling of 2020 EHT exemption - Retroactive increase of the employer health tax (EHT) exemption from \$490,000 to \$1,000,000 for 2020 only. ▶ Extended filing and payment deadlines - Deferral of the filing and remittance deadlines for a period of five months, from 1 April 2020 to 31 August 2020, for the following provincially administered taxes/programs: EHT, tobacco tax, fuel tax, gas tax, taxes on beer, wine and spirits, mining tax, insurance premium tax, international fuel tax agreement, retail sales tax on insurance contracts and benefit plans, and race tracks tax. Penalties and interest will not apply to late returns or remittances made during this five-month period. ▶ Deferral of WSIB payments - Six-month deferral of workers' compensation payments until 31 August 2020. Penalties and interest will not apply to late payments during this six-month period. ▶ Education property tax deferral - Deferral of the quarterly education property tax payment municipalities must make to school boards on 30 June 2020 by 90 days. This will provide municipalities with the flexibility to, in turn, provide property tax deferrals to residents and businesses. 	<ul style="list-style-type: none"> ▶ Regional Opportunities Investment Tax Credit – Introduction of a 10% refundable corporate income tax credit for CCPCs that make eligible capital investments that become available for use on or after 25 March 2020 in specified regions of Ontario. Qualifying investments include expenditures over \$50,000 and up to \$500,000 for capital property included in Class 1 and Class 6 for CCA purposes 	<p>EY materials</p> <ul style="list-style-type: none"> ▶ EY Tax Alert 2020 Issue No. 21 <p>Government materials</p> <ul style="list-style-type: none"> ▶ Saskatchewan - IN 2020-03 (re. Penalty and Interest on late returns) ▶ Saskatchewan News Release - Support for employers and employees

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>Quebec (continued)</p>	<ul style="list-style-type: none"> ▶ Contributions due date - Postponement of the 30 April 2020 deadline for the payment of the following contributions to 1 September 2020: ▶ QPP and QPIP contributions for self-employed earnings (or earnings from activities as a family-type resource or an intermediate resource), and ▶ Health Services Fund and Quebec prescription drug insurance plan contributions. ▶ Deferral of 15 June 2020 instalment payments - For individuals and trusts (other than SIFT trusts), suspension of any tax instalment payment due on 15 June 2020 until 1 September 2020. ▶ Trusts (other than graduated rate estates and SIFT trusts): ▶ 2019 tax return filing-due date - Postponement of the 30 March 2020 tax return filing-due date to 1 May 2020. ▶ Graduated rate estates: 2019 tax return filing-due date - Postponement of the 2019 tax return filing-due date after 16 March 2020 to 1 May 2020. ▶ Trusts (other than SIFT trusts) 2019 tax balance-due day - Postponement of the payment of the tax balance for the 2019 taxation year that would be due as of 17 March 2020 to 1 September 2020. 	<p>(continued..) contributions, and source deductions) that are due after 16 March 2020 and before 1 June 2020. This includes the filing of information returns, forms, elections (other than QST elections that are harmonized with the GST), designations, and responses to information requests.</p>	<ul style="list-style-type: none"> ▶ Corporate instalment payments - Suspension of monthly and quarterly tax instalment payments due between 17 March 2020 and 31 August 2020 until 1 September 2020. This suspension does not apply to Part IV.1 compensation tax for financial institutions, Part VI capital tax on insurance corporations, and Part VI.1 capital tax on life insurers. ▶ Corporations, other businesses, and charities: Deferral of administrative tax actions - Deferral to 1 June 2020 of all administrative tax actions (other than tax return filings already deferred to a specific date, payments of taxes and contributions, and source deductions) that are due after 16 March 2020 and before 1 June 2020. This includes the filing of information returns, forms, elections, designations, mandatory or preventive disclosures of tax planning, and responses to information requests. ▶ Electronic signatures - Revenu Québec will recognize, on a temporary administrative basis, electronic signatures on authorization form CO-1000.TE, <i>Transmission par internet de la déclaration de revenus d'une société</i>, which tax preparers must have their clients sign. 	

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>Quebec (continued)</p>	<ul style="list-style-type: none"> ▶ Individuals and Trusts: Deferral of administrative tax actions - Deferral to 1 June 2020 of all administrative tax actions (other than tax return filings already deferred to a specific date, payments of taxes and contributions, and source deductions) that are due after 16 March 2020 and before 1 June 2020. This includes the filing of information returns, forms, elections, designations, mandatory or preventive disclosures of tax planning, and responses to information requests. ▶ Individuals: RRIF withdrawals - In line with the federal measure, the required minimum withdrawals from RRIFs will be reduced by 25% for 2020. ▶ Individuals: Seniors' home-support services tax credit - A four-month extension of the deadlines for renewing the advanced payments of the tax credit for home-support services for seniors, provided the deadline falls between 17 March to 1 June 2020. Current advanced payments will be maintained until the renewal (unless Revenu Québec is aware that the senior is no longer eligible). 	<p>.</p>	<ul style="list-style-type: none"> ▶ SIFT trusts and SIFT partnerships: 2019 tax return filing-due date - Postponement of 2019 tax return filings due after 16 March 2020 to 1 May 2020. ▶ SIFT Trusts and SIFT partnerships: Tax balance-due day - Postponement of any tax balance-due day falling between 17 March 2020 and 31 August 2020 to 1 September 2020. ▶ SIFT Trusts and SIFT partnerships: Instalment payments - Suspension of monthly tax instalment payments due between 17 March 2020 and 31 August 2020 until 1 September 2020. ▶ Other Partnerships: Partnership information return - Postponement of the filing due date for 2019 partnership information returns (TP-600-V) due after 16 March 2020 (and before 1 May 2020) to 1 May 2020. ▶ Charities: Extended filing deadline - For all charities with a Form TP-985.22-V, <i>Information Return for Registered Charities and Other Donees</i>, due between 17 March 2020 and 31 December 2020, the filing deadline is extended to 31 December 2020. 	

Overview	Personal Tax	VAT, GST and trade	Business tax	Links and resources
Quebec (continued)			<ul style="list-style-type: none"> ▶ Mining taxes - Postponement of the payment of mining taxes (including instalments) to 1 September 2020. ▶ Logging operations tax - Postponement of the payment of the tax on logging operations (including instalments) to 1 September 2020. 	

Additional Quebec tax measures and information:

- ▶ **Collections activities:** Revenu Québec has announced that collections activities on new debts will be suspended until further notice, and greater flexibility will be shown with respect to payment arrangements for tax debts.
- ▶ **Audit activities** - Revenu Québec has suspended its audit activities (except in situations where there is a risk of fraud). No contact will be initiated with taxpayers until it is necessary to process a refund.
- ▶ **Objections:** For objections due on or after 13 March 2020 up to 29 June 2020, the deadline is extended until 30 June 2020.
- ▶ **Appeals before the Quebec Court:** On 26 March 2020, the Quebec Court announced that its Civil Division has suspended all proceedings in its Regular Division and its Small Claims Division, until 31 May 2020. A ministerial order (M.O. 2020-4251) has also been issued on 15 March 2020 for the suspension of prescription and procedural periods until the expiry of the public health emergency declared in the province on 13 March 2020.

New Brunswick	▶ <i>No specific tax measures announced to date.</i>
Nova Scotia	▶ <i>No specific tax measures announced to date.</i>
Prince Edward Island	▶ <i>No specific tax measures announced to date.</i>
Newfoundland	▶ <i>No specific tax measures announced to date.</i>
Yukon	▶ <i>No specific tax measures announced to date.</i>
Northwest Territories	▶ <i>No specific tax measures announced to date.</i>
Nunavut	▶ <i>No specific tax measures announced to date.</i>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Government filed an incentive economic package bill, mainly focused on providing funds and supporting small/medium business for an amount of USD \$11,750 Million, equivalent to 4.7% of Chilean GDP. Expected benefits will be the sanitary systems, family revenues and employment protections. ▶ Chilean IRS has launched new online tools in its website enabling the obtention of tax ID, and improving managing of monthly taxes, among others. ▶ Work from home bill has been approved by Congress. ▶ More flexible mechanisms to carry out shareholders meetings and board of directors remotely. ▶ Local banks have announced a waiver on the prospective deadlines for loans and interests granted (benefit for March). 	<ul style="list-style-type: none"> ▶ Real estate taxes due in April may be deferred until 31 December 2020. Applicable to individuals that own real state valued lower than US\$170k. 	<ul style="list-style-type: none"> ▶ Deferral of VAT payments for the next 3 months (benefit available for small sales volume companies) Deferred VAT can be paid in 12 interest free installments. ▶ Customs has issued a Circular waiving penalties for the amendment of documents needed in the context of Covid-19. 	<ul style="list-style-type: none"> ▶ Several sworn statements are postponed to March end - beginning of April. <p><i>Small/medium companies:</i></p> <ul style="list-style-type: none"> ▶ Deferral of Real Estate Tax return (to be paid in April) can be deferred until December 2020. ▶ Deferral of annual income tax return until July 2020; ▶ Relieve measures for tax debt aiming to incentive payments agreements (e.g. waiver of penalties and interests) ▶ Advance income tax return in April 2020. <p><i>All size companies;</i></p> <ul style="list-style-type: none"> ▶ Monthly advance payments (in advance of Corporate Tax) are suspended for the next 3 months ▶ Exemption of Stamp tax (applicable to credit cash operations) for operations carried out between April - September 2020. ▶ Deductibility of all Covid-19 related expenses incurred by Chilean companies 	<p>Government materials</p> <ul style="list-style-type: none"> ▶ http://www.sii.cl/servicios_online/index.html

Overview

- ▶ After Injecting 1.2 trillion yuan (USD 172 billion) via reverse repos funds into the market, central bank injected another 50 billion yuan (USD 7.35 b) on 30 March 2020.
- ▶ Reduction of the one-year lending facility rate by 0.10% and slash the one-year and five-year prime rates by 0.10% and 0.05%, respectively, as well as lower the bar for bank reserve
- ▶ Expansion of loan financing to key industries such as manufacturing sector, private enterprises and small-sized enterprises with marginal profit;
- ▶ Introduction of a program providing deferral of payment, and/or reduce rents/interest on financial leasing businesses
- ▶ Removal of the cap on foreign debt for enterprises, removal of the cap on foreign debt (subject to case by case review) and facilitate online foreign debt registration
- ▶ Offer a fast track for foreign exchange verification, cancellation and settlement process to support cross-border financing and RMB business for the contagion prevention and control
- ▶ Qualifying enterprises may receive up to 100-percent refund of their unemployment insurance premiums paid in the last year

Personal tax

- ▶ 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 to be deducted in full for IIT purposes
- ▶ Social securities and housing funds that are contributed by enterprises may be reduced and exempted temporarily

Overview

- ▶ Under the emergency caused by the outbreak of Covid-19 in Colombia, the Colombian Government has issued some tax measures to ease the burden on taxpayers during this crisis. The Government may take additional measures in light of the 30-day state of emergency recently declared. The Government also stated that all of Colombia is under quarantine from 25 March 2020 to 13 April 2020.
- ▶ The due dates mentioned in this document may be extended, depending on how the Covid-19 pandemic progresses.

Personal tax

VAT, GST and trade

- ▶ Customs duties reduced to 0% for imports of: (i) certain medicines, medical equipment and devices (e.g., oxygen, soaps, antibacterial gel, special masks, gloves for surgery, etc.); and (ii) certain goods used in the air travel industry. The 0% customs duties will apply for six months.
- ▶ The value-added tax (VAT) rate was reduced to 0% for certain medical equipment (e.g., nebulizer, vital sign monitor, sphygmomanometer, defibrillator, portable x-ray machines, hospital beds, among others). The 0% VAT rate will apply during the 30-day state of emergency. The 0% VAT rate will apply to the medical equipment if certain requirements are met. The state of emergency may be extended depending on how the outbreak of Covid-19 develops.
- ▶ In the case of companies engaged in hoteling services, passenger air travel services, Theatrical activities and life show business activities, VAT payment due for the March - April period (or for the January - April period, if they file the VAT return every four months) was extended to 30 June 2020 (previously from 12 to 26 May 2020, depending on the last digit of the taxpayer's tax identification number).
- ▶ For taxpayers engaged in the provision of alcoholic beverages in situ, cafeterias and restaurants, as well as travel agencies and tour operators, the deadline to pay the VAT and national excise tax for the March - April period (or for the January - April period if they pay the VAT every four months) was extended to 30 June 2020 (previously from 12 to 26 May 2020, depending on the last digit of the taxpayer's tax identification number).
- ▶ Additionally, the Colombian Government has postponed the due date for the filing of the tourism contribution form and payment for the first quarter of 2020 to 29 July 2020 (previously 20 April 2020).

Business tax

- ▶ One week delay on the filing of income tax returns and payments as follows:
 - ▶ Large taxpayers: income tax filing and second installment payment (which is paid on the same date of the filing) will be due between 21 April to 5 May 2020 depending on the last digit of the tax identification number. Original dates were between 14 to 27 April 2020.
 - ▶ Financial institutions qualified as large taxpayers: Income surtax first installment payment will be due between 21 April to 5 May 2020 depending on the last digit of the tax identification number. Original dates were between 14 to 27 April 2020.
 - ▶ Standard taxpayers: income tax filing and installment payment (this is the first installment) will be due between 21 April 19 May 2020 depending of the last two digits of the taxpayer's identification number. Original due dates were between 14 April to 10 May 2020.
- ▶ In addition, for companies engaged in hoteling services, passenger air travel services, Theatrical activities, and life show business activities, the due dates for income tax payments were extended as follows:
 - ▶ Large taxpayers: The payment of the second installment, was extended until 31 July 2020 (the original payment due dates were between 14 to 27 April 2020, depending on the last digit of the taxpayer's tax identification number). The payment of the third installment was extended until 31 August 2020 (the original payment due dates were between 9 to 24 June 2020, depending on the last digit of the taxpayer's tax identification number).
 - ▶ Standard taxpayers: The payment of the first installment, was extended until 31 July 2020 (the original payment due dates were between 9 April to 12 May 2020, depending on the last two digits of the taxpayer's tax identification number). The payment of the second installment was extended until 31 August 2020 (the original payment due dates were between 9 to 24 June 2020, depending on the last digit of the taxpayer's tax identification number).
- ▶ Due dates for filing the magnetic media reports were deferred as follows:
 - ▶ Large taxpayers: Submission of the magnetic media report will be due between 15 to 29 May 2020, depending on the last digit of the taxpayer's tax identification number. Original dates were between 28 April to 12 May 2020.
 - ▶ Standard taxpayers: Submission of the magnetic media report will be due between 1 June to 1 July 2020 depending on the last two digits of the taxpayer's tax identification number. Original dates were between 13 May to 10 June 2020.
- ▶ For regular taxpayers the Government issued some regulations to allow personnel of companies located in Free Trade Zones (FTZ) to work outside the FTZ area by using any telecommunication equipment or technology that allows remote connection of the personnel (in normal circumstances, companies located in free trade zones must undertake all its activities within the physical location of the FTZ to access to the tax and customs benefits granted under the FTZ regime)

Links and resources

EY Materials

<http://www.ey.com/GL/en/Services/Tax/International-Tax/Tax-alert-library>

Overview

- ▶ Costa Rica issued several emergency measures to address economic impact of Covid-19 pandemic.

Personal tax

VAT, GST and trade

- ▶ Three months (April, May and June) VAT exemption for commercial rents.
- ▶ Control over the exports of surgical products.

Business tax

- ▶ Defer payment of the VAT, advance payments of income tax, consumption tax and imports tax for April, May and June.
- ▶ Reduction to a 25% of the minimum tax base in the social security health insurance and pension insurance on a temporary basis (three months).
- ▶ Measures to allow work from home to personal of Free Trade Zone Regime Companies.
- ▶ Social Security amnesty program bill (approval pending).
- ▶ Law to allow modifications to employment contracts to reduce the working day.
- ▶ Law for temporary suspension of employment contracts.

Links and resources

- Government materials
- ▶ www.presidencia.go.cr
 - ▶ www.hacienda.go.cr
 - ▶ www.procomer.com

Overview

- ▶ Banks and credit institutions are permitted to postpone interest and principle payments for their customers for a period of 3-6 months without recognizing a provision.
- ▶ Banks are temporarily permitted to exceed the debt to service ratio to a maximum of 50% (currently 37%).
- ▶ Life insurance companies and pension companies are allowed to postpone premium payments for 3-6 months without recognizing a provision.
- ▶ With immediate effect, the Central Bank of Curacao and Sint Maarten (CBCS) has restricted (and in some cases suspended) the issuance of licenses for foreign exchange transactions. This license is required for financial transactions starting as of ANG 150,000 (approximately USD 84,250). This restriction also applies to existing license applications which have not yet been granted.
- ▶ The lending rate for commercial banks has been reduced to 1%. Additionally, the extra interest rate of 200 basis points for loans exceeding ANG 20 million is suspended.
- ▶ Banks are allowed to maintain a negative balance with the CBCS.
- ▶ The interest on so called "certificates of deposit" will be reduced to retain money in the market.

Personal tax

- ▶ **Payment arrangements for outstanding tax liabilities** :Ongoing payment arrangements and granted extensions of payment may be suspended upon request. Companies and (self-employed) individuals can file a request for temporary suspension of payment with the Tax Collector.
- ▶ **Project 'Compliance' will be temporarily suspended**: Under 'Project Compliance', the Curaçao Government worked on creating more awareness with taxpayers regarding their fiscal responsibilities as well as a more effective and active collection of outstanding tax liabilities. As a lot of companies and (self-employed) individuals will be facing financial difficulties in Curaçao, the active pursuit of outstanding tax liabilities in connection with 'Project Compliance' will be suspended.
- ▶ **Reduced interest rate of 0% for late payment** : When companies and (self-employed) individuals fail to pay their tax liability timely, interest for late payment is imposed. However, the interest rate for late payment of outstanding tax liabilities will be temporarily reduced from 6% to 0%.
- ▶ **Suspension of collection costs for outstanding tax liabilities**: Under certain circumstances, the Tax Collector can charge the tax payer for expenses incurred when collecting overdue tax liabilities. As an emergency tax measure, the collection costs for outstanding tax liabilities will not be charged to companies and self-employed individuals.
- ▶ **No fines for late payments** : When tax payers fail to pay or are late with meeting their tax payment obligations, a fine can be imposed. However, as companies and (self-employed) individuals are expected to struggle with meeting tax obligations temporarily no fines will be imposed for no or late payment of outstanding tax liabilities.
- ▶ **Extended possibility to conclude payment arrangements** : Affected companies and self-employed individuals with liquidity problems can conclude new payment arrangements for all taxes and non-taxes.
- ▶ **Increase of the basic income tax allowance** : The basic income tax allowance of ANG 2,284 (2020) will be increased with retroactive effect to 1 January 2020 to an amount yet to be announced. This will lead to an increase in net wage of most individuals, as their taxable income for wage and income tax purposes will be reduced. By increasing the net wages of individuals, the Government aims to stimulate extra spending by the public.

VAT, GST and trade

- ▶ **0% Import duties and sales tax on hygiene and sanitary/cleaning products** In addition to the introduced measures concerning maximum margins that businesses can apply on the sale of certain goods, the rate of import duties and sales tax on hygiene and sanitary / cleaning products will be reduced to 0%. As these items become more important during the Covid-19 Pandemic, the Government aims to manage the necessary expenses for the public in this regard as much as possible.
- ▶ Items 1-6 under personal income tax also apply to this section in addition to the following measures:
- ▶ **Hospitality and designated businesses do not have to remit the sales tax collected:** In order to provide additional financial relief to the hospitality and designated businesses, these businesses are relieved from remitting the sales tax collected to the Curaçao Tax Authorities. In practice, this means that the hospitality and tourism businesses will charge and collect sales tax from their clients, without remitting the sales tax collected to the Tax Authorities upon filing the monthly sales tax return. Instead these funds can be used by the businesses to cover other expenses.

Business tax

This measure aims to provide a financial relief to the hospitality and tourism businesses, as they can keep the employer's contributions and use these funds to cover other expenses instead.

- ▶ Items 1-6 under personal income tax also apply to this section in addition to the following measure: **Hospitality and designated businesses do not have to remit the employer's contribution for general old age insurance**
- ▶ Employers of the following designated businesses (jointly referred to as "hospitality businesses") will not have to remit the employer's contribution of the general old age insurance (known as the "AOV/AWW premium") of 9.5% to the Tax Authorities:
 - ▶ Businesses in the hospitality sector, which includes hotels and similar businesses that provide accommodation, restaurants, recreation and entertainment venues and convention centers.
 - ▶ Beauty salons
 - ▶ Businesses in the travel industry.
 - ▶ Car rental, car wash and transportation companies

Links and resources

Overview	Personal tax	VAT/GST and trade	Business measures	Links and resources
	<ul style="list-style-type: none"> ▶ Extension of the time-period for filing of objections with the Social Insurance Department by self-employed individuals by one month to 30 April 2020 (deadline was originally 31 March 2020). ▶ A two-month extension to those that are required to submit a tax return by 31 March 2020 (the new 	<ul style="list-style-type: none"> ▶ Temporary two-month deferral of payment of VAT, without the imposition of any penalties 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 due amounts will be settled gradually by 11 November 2020. ▶ Temporary reduction of VAT on Goods and Services from 19% to 17% for a period of 2 months and from 9% to 7% for a period of 3.5 months, to be effective from enactment of the relevant VAT law. 	<ul style="list-style-type: none"> ▶ Non-payment of the additional contributions to the General Healthcare System (GHS), which was scheduled for 31 March 2020, for two months, by employers, employees and the Government, in order to reinforce the health sector during the fight against the virus and not to affect the income of employees and businesses. ▶ Special arrangements will be made for the ease of those taxpayers that entered the Overdue Taxes Settlement Scheme for the duration of this emergency situation ▶ A two-month extension to those that are required to submit a tax return by 31 March 2020 (the new deadline is 31 May 2020). 	<p>EY materials</p> <p>https://emeia.ey.com/2594/133863/landing-pages/public-support-program-covid-19-en.pdf</p>

Overview

- ▶ Due to the Covid-19 pandemic the Ministry of Finance announced tax liberation measures such as e.g. relief of various sanctions for late filing of selected tax returns and related tax payments.
- ▶ The state will compensate employers for costs incurred for the payment of compensatory wages in the event of disability due to quarantine or provide partial compensation in other Covid-19 related emergency measures.

Personal tax

- ▶ The personal income tax return for 2019 may be filed and related tax paid by 1 July 2020 without a penalty and related late payment sanctions (standard deadline is 1 April 2020).
- ▶ Automatic removal of the June advance payment on personal income tax without a need to apply.
- ▶ Introduction of Tax Loss Carry-Back for 2020 tax losses to be potentially applied in 2019 and 2018 tax returns.
- ▶ Waiver of the obligation to pay social security and health insurance payments for all self-employed individuals for the period March - August 2020 in the extent of the minimum amount of these payments

VAT, GST and trade

- ▶ Suspension of obligations from electronic records of sales during the state of emergency and in three subsequent months has been announced.
- ▶ Automatic removal of the penalty for late filing of real estate acquisition tax return and related late payment sanctions if the tax return is filed before 31 August 2020.

Business tax

- ▶ The corporate income tax return and annual withholding tax statement for 2019 may be filed and related tax paid by 1 July 2020 without a penalty or related late payment sanctions (this applies to entities with a standard deadline of 1 April 2020).
- ▶ Automatic removal of the June advance payment on corporate income tax without a need to apply.
- ▶ Introduction of Tax Loss Carry-Back for 2020 tax losses to be potentially applied in 2019 and 2018 tax returns.

Links and resources

EY materials

- ▶ <https://emeia.ey-vx.com/2520/139210/landing-pages/extraordinary-tax-news.pdf>
- ▶ <https://emeia.ey-vx.com/2520/139210/landing-pages/government-antivirus-employment-protection.pdf>
- ▶ <https://emeia.ey-vx.com/2520/139210/landing-pages/additional-tax-relief-measures.pdf>
- ▶ <https://emeia.ey-vx.com/2520/139210/landing-pages/antivirus-government-employment-protection-program-continued.pdf>

Overview

- ▶ Government is currently trying to prohibit gatherings of 10 people and more. This is, however, subject to some limitations - e.g. in respect of demonstrations, access to supermarkets, etc. - though subject to certain restrictions. The ban is effective as of March 18, 2020.
- ▶ One of the initiatives from government is to compensate organizers who cancelled or postponed events with more than 1,000 participants from 6 March to 31 March. Whether the compensation initiative should also apply to organizers who have canceled or postponed events with 100 (or less) people or more due to government recommendations has not yet been clarified.
- ▶ Compensation will require an audit opinion if the relevant amount is above DKK 500k and the insurance company doesn't cover the loss.

Personal tax

VAT, GST and trade

- ▶ 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 5-50m on an annual basis, the payment of VAT is postponed for the first quarter of 2020 and is now together with the payment deadline of the second quarter of 2020 on September 1st 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 together with the payment deadline of the second half of 2020 on March 1st 2021.

Business tax

- ▶ The deadlines for the payments of the payroll tax and labor market contributions are postponed by four months for the months; 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 250k, both of which must continue over a 12 month period, are as follows: i) The payment that should have been made on April 30th are postponed until August 31st, ii) May 29th are postponed until September 30th, and iii) June 30th are postponed until October 30th.
- ▶ For the companies below the thresholds the payments are as follows: i) The payment that should have been made on May 11th are postponed until September 10th, ii) June 10th are postponed until October 12th, and iii) July 10th are postponed until November 10th.
- ▶ Please keep in mind that only the payment has been postponed, the reporting deadline is maintained.

Links and resources

Government materials:

- ▶ https://www.ft.dk/samling/20191/lovforslag/l134/som_f_remsat.htm

EY materials:

- ▶ [Responding to Covid-19](#)
- ▶ [Denmark changes tax legislation in light of COVID-19](#)
- ▶ [Covid-19 consequences on Tax, Social Security and Immigration](#)
- ▶ [Corona virus \(Covid-19\), The most important labor law issues in the Nordic countries](#)

Overview

- ▶ Dominican Republic issues emergency measures to address economic impact of Covid-19 pandemic.
- ▶ Dominican Congress approves State of Emergency.
- ▶ National curfew from 8:00pm to 6:00am until 3 April 2020.

Personal tax

- ▶ Extensions for compliance with the filing of the Income Tax return for individuals and payment of the tax for fiscal year 2019 and the Income Tax for taxpayers covered by the Simplified Tax Regime, for fiscal year 2019. The new filing and payment deadline will be April 30, 2020.

VAT, GST and trade

- ▶ Regarding the VAT, taxpayers may request payment agreements for payment in up to 4 installments of VAT due for fiscal period February 2020. Additionally, the deadline for filing and payment of VAT for this period is extended to March 30, 2020.

Business tax

- ▶ For the hotel sector, the Tax Administration (General Directorate of Internal Taxes) will stop applying rate restrictions to Advance Pricing Agreements (APA).
- ▶ The Income Tax due by entities with fiscal closing on 31 December 2019 may be split into 4 payments.
- ▶ Urgent facilities will be granted for the payment of the first quota of income tax prepayments of the entire productive sector, to pay in 3 installments immediately after the emergency period.
- ▶ The deadline for filing of the annual Corporate Income Tax Return is extended to May 29, 2020, as well as the deadline for payment of the tax. Also, the same extension is granted to the deadlines for filing and payment of the first installment of the Asset Tax and the tax return for non-profit organizations.

Links and resources

Government materials

- ▶ <https://dgii.gov.do/publicacionesOficiales/avisosInformativos/Paginas/default.aspx>
- ▶ https://www.camaradediputados.gob.do/serve/listfile_download.aspx?id=46243&num=1

Overview

- ▶ The Ecuadorian Government has declared a "State of Sanitary Emergency" and "National State of Exception" due to the increase in positive cases of Covid-19 in Ecuador for a period of 60 days
- ▶ The face-to-face work day is suspended from 17 to 31 March 2020

Personal tax

VAT, GST and trade

- ▶ Import tariffs on medical products necessary to attend the emergency were eliminated.
- ▶ Temporary and special Regulations for the payment of local taxes.
- ▶ The payment of the VAT related to April, May and June 2020 could be deferred by 6 months for the following taxpayers: (i) small business, (ii) resident on Galápagos Island, (iii) whose economic activity is the operation of airlines (iv) tourism economic sector (specially good and housing tourism activities), (v) agriculture economic sector, (vi) frequent exporters of goods and (vii) 50% of its incomes are related to exportation of goods.

Business tax

- ▶ Temporary and special Regulations for the payment of local taxes
- ▶ The Financial Institutions under the Control of the Superintendence of Companies and Private Companies that render mobile telephone services will apply a tax withholding of 1.75% over its monthly taxable incomes each month.
- ▶ Companies that have subscribed with the State contracts for exploration and exploitation of hydrocarbons under any contractual modality, or works and services contracts according to the Law of Hydrocarbons, or oil complementary services, as well Companies that perform crude oil transportation will apply a tax withholding of 1.50% over its monthly taxable incomes each month.
- ▶ The payment of the Corporate income tax of fiscal year 2019 may be deferred by 6 months for the following taxpayers: (i) Small business, (ii) Resident on Galápagos Island, (iii) whose economic activity is the operation of airlines (iv) Tourism economic sector (specially good and housing tourism activities), (v) Agriculture economic sector, (vi) Frequent exporters of goods and (vii) 50% of its incomes are related to exportation of goods.
- ▶ The filing of tax annex whose statutory due date was March and April, is extended until August 2020.
- ▶ **IRS:** The deadlines and terms of all the tax administrative processes and the statutes of limitation of the collection action are suspended, from 16 to 31 March 2020. This suspension does not apply for tax returns.
- ▶ Superintendence of companies: Extension for a period of 30 days from the original statutory due date for the presentation of the annual balance sheet, profit and loss statement, directors' report, list of administrators, partners and shareholders and others.

Links and resources

Government materials

- ▶ https://minka.presidencia.gob.ec/portal/usuarios_externos.jsf
- ▶ <https://www.sri.gob.ec>
- ▶ <http://www.trabajo.gob.ec>
- ▶ <https://www.aduana.gob.ec/>

Overview

- The Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to cut the credit and discount rates from 12.75% to 9.75%.
- Financial Regulatory Authority (FRA) extended the deadline for the submission of financial statements to companies listed on the Egyptian stock exchange and to companies supervised by the FRA for the financial period ending 31 December 2019 until 30 April 2020 and for the financial period ending 31 March 2020 until 15 June 2020.
- On 18 March 2020, the General Authority for Investment & Free Zones (GAFI) issued a temporarily decree, that applies to companies regulated under the Companies Law No. 159/1981 and the Investment Law No. 72/2017, which permits the attendance of corporate meetings (boards of directors and ordinary and extraordinary general assemblies) through modern audio or visual communication systems.
- The Egyptian Tax Authority has waived the annual subscription fees of the tax portal to make sure that all the taxpayers submit the annual tax returns electronically on the Egyptian Tax Authority portal
- Natural Persons tax return filing is extended until 16 April 2020
- Flexibility in the tax payment approach

Personal tax

- On 23 March 2020, the Egyptian tax authority extended the deadline for filing tax returns for natural persons after the end of the legal period set for them on March 31, 2020 until April 16.
- The Egyptian Tax authority can accept the taxes due in cash or check instead of bank transfer, with full waiver to administrative fees related to cash/checks payment.

VAT, GST and trade

- The Egyptian Tax authority can accept the taxes due in cash or check instead of bank transfer, with full waiver to administrative fees related to cash/checks payment.

Business tax

- The Egyptian Tax authority can accept the taxes due in cash or check instead of bank transfer, with full waiver to administrative fees related to cash/checks payment.

Links and resources

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ On March 14, 2020, the Salvadoran Congress approved Legislative Decree 593, declaring a state of national emergency, state of public calamity and natural disaster for 30 days due to the Covid-19 pandemic. ▶ Salvadoran Congress has also approved a temporary restriction to constitutional rights of freedom of movement, freedom of peaceful assembly and freedom of residence due to the Covid-19 pandemic. ▶ On 20 March 2020, Salvadoran Congress approved Legislative Decrees 598, 603 and 604, through which benefits and exemptions have been granted to certain taxpayers and operations. ▶ On March 21, 2020, a general quarantine has been declared in El Salvador for the term of 30 days. All individuals are forbidden of transit and peaceful assembly during this period. 	<p>Legislative Decree 598 grants an extension for the payment of the Income Tax corresponding to fiscal year 2019, with the exemption of the applicable interest, charges or penalties, to the following taxpayers:</p> <ul style="list-style-type: none"> a) Small taxpayers that have to pay Income Tax equal or less than USD\$ 10,000.00, can make the corresponding payment up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay the 10% of the Income Tax self-assessed. b) Taxpayers in the tourism industry that have to pay Income Tax, equal or less than USD\$ 25,000.00, can make the payment up to May 31, 2020. The extension is not applicable to taxpayers that has valid tax incentives granted according to the Tourism Law. c) The payment of the Special Tax on tourism has been suspended for 3 months. 	<ul style="list-style-type: none"> ▶ Legislative Decree 603 grants exemption of VAT, custom duties and any other intern 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 (<i>Arancel Centroamericano de Importación</i>) in order to guarantee the supply of the basic food basket, medicines, hygiene and cleaning products required under the national emergency declared. 	<p>Legislative Decree 598 grants an extension for the payment of the Income Tax corresponding to fiscal year 2019, with the exemption of the applicable interest, charges or penalties, to the following taxpayers:</p> <ul style="list-style-type: none"> ▶ Small taxpayers that have to pay Income Tax equal or less than USD\$10,000.00, can make the corresponding payment up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self-assessed. ▶ Taxpayers in the tourism industry that have to pay Income Tax, equal or less than USD\$ 25,000.00, can make the payment up to May 31, 2020. The extension is not applicable to taxpayers that has valid tax incentives granted according to the Tourism Law. ▶ The payment of the Special Tax on tourism has been suspended for 3 months. ▶ Taxpayers that generate, transmit, distribute and sale electric power can make the payment of the Income Tax up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self assessed. ▶ Taxpayers that render at least two of the following services: cable TV, internet and fixed or mobile telephony, can make the payment of the Income Tax up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self assessed. <p>In all the previously mentioned cases, the Income Tax return must be filed no later than 30 April 2020.</p>	<p>Government materials</p> <p>https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/14-03-2020.pdf</p> <p>https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/15-03-2020.pdf</p> <p>https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/20-03-2020.pdf</p>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none">▶ The import tariff 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.	<p>Legislative Decree 598 grants an extension for the payment of the advance Income Tax corresponding to March, April and May, 2020, with the exemption of the applicable interest, charges or penalties, to the following taxpayers:</p> <ul style="list-style-type: none">▶ 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, up to in six monthly installments. The first installment corresponds to the 10% of the amount determined 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.	

Overview

- ▶ The Estonian government has introduced a stimulus package of €2 billion, which represents 7% of the country's GDP. The aim of the package is to mitigate the situation for employees and businesses in Estonia.
- ▶ The government will use €250 million to support the income of employees who cannot work due to the economic effects of the coronavirus pandemic.
- ▶ The compensation will be based on 70% of the employee's average gross salary of 2019, but will not exceed €1,000 in a month. The compensation will be paid by the Unemployment Insurance Fund on behalf of the employer if the employer complies with certain terms and conditions.

Personal tax

- ▶ There are no measures announced regarding personal tax.
- ▶ *See also Business tax regarding tax arrears.*

VAT, GST and trade

- ▶ There are no measures announced regarding VAT.
- ▶ *See also Business tax regarding tax arrears.*

Business tax

- ▶ The tax authorities have suspended the calculation of default interest for the period of emergency with retroactive effect from 1 March 2020.
- ▶ From 1 May 2020, the interest rate imposed by the tax authorities will be reduced from 0.06% to 0.03% for an indefinite period. The interest rates can be reduced up to 100 percent (at present, the maximum possible reduction is 50 percent).
- ▶ Advance social security contributions of private entrepreneurs for 2020 1st 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.
- ▶ Social tax is payable based on actual salary amount and minimum social tax obligation is waived for March-May 2020.

Links and resources

Government materials

- ▶ <https://www.emta.ee/eng/inte-rests-tax-arrears-suspended-emergency-situation>
- ▶ <https://www.tootukassa.ee/en/g/content/temporary-subsidy-program>
- ▶ <https://news.err.ee/1066821/government-approves-250-million-unemployment-fund-for-coronavirus-supportt>
- ▶ <https://www.emta.ee/eng/etc-bs-information-emergency-situation>

Overview

- ▶ On Monday 16 March the [European Council](#) issued a statement detailing a range of practical and financial measures on which it will provide support to Member States as part of its coordinated responses to protect the EU economies. These proposals include, amongst other points, using the full flexibility of our State-aid and fiscal frameworks, mobilizing the EU budget to allow the EIB Group to provide short-term liquidity to SMEs, and directing €37 billion to the fight Covid-19 under the Coronavirus Response Investment Initiative.
- ▶ On 20 March the European Commission [proposed the activation](#) of the general escape clause of the Stability and Growth Pact (SGP)

Personal tax

VAT, GST and trade

See links and resources section

- ▶ Global Trade/Customs measures from the European Union - On the consequences of the Covid-19 outbreak on anti-dumping and anti-subsidy investigations.
- ▶ Global Trade/Customs measure from the European Union - Export licenses are required for certain vital products.
- ▶ Global Trade/Customs measures of the European Union - On conformity assessment and market surveillance procedures within the context of the Covid-19 threat.

Business tax

- ▶ The European Commission, in a [press release](#), notes that it stands ready to work with all Member States to ensure that possible national support measures to tackle the outbreak of the Covid-19 virus can be put in place in a timely manner, in line with EU rules. To this end, the Commission has established a dedicated contact point for Member States to provide them with guidance on possibilities under EU rules.

Links and resources

EU materials

- ▶ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2020.086.01.0006.01.ENG&toc=OJ:C:2020:086:TOC
- ▶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.LI.2020.077.01.0001.01.ENG&toc=OJ:L:2020:077I:TOC>
- ▶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.LI.2020.079.01.0001.01.ENG&toc=OJ:L:2020:079I:TOC>

Overview

- ▶ On 16 March 2020, the Government, in cooperation with the president, declared a state of emergency in Finland.
- ▶ Relevant measures are expected in an extraordinary budget bill scheduled to be presented to the Parliament on 20 March 2020.
- ▶ 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.
- ▶ Pension payments will be delayed by three months and pension payments of private sector employers will be decreased
- ▶ Notification period for lay-offs and for statutory employer-employee negotiations will be shortened to five days. Employer's lay-off right will extend to fixed-term contracts
- ▶ Tax prepayments will be reduced and less strict terms will be applied for payment arrangements for taxes
- ▶ The financing of Finnvera and Business Finland will be increased
- ▶ Finnvera's mandates will be raised from 2 bn. to 12 bn. The purpose is that Finnvera will guarantee corporate debts. In addition to this, Bank of Finland and The State Pension Fund of Finland will both invest 1 bn. in commercial papers.
- ▶ In the supplementary budget, 150 million will be given to Business Finland and 50 million to development projects financed by the Center for Economic Development, Transport and the Environment. Business Finland's funding for business development in disruptive circumstances opened on 19 March 2020 for companies to apply.
- ▶ Funding is intended to SMEs and midcap companies whose business suffers from the Covid-19 situation. There are two financing solutions, preclearance funding (up to 10 000 euros) and development funding for businesses in disruptive circumstances (up to 100 000 euros). Funding is de minimis -funding and it can be obtained only if there is room in the company's de minimis cumulation.
- ▶ Private sectors employer's pension payments will be reduced by 2,6 percentage points at the latest as of the beginning of June and the reduction is in force until end of the year. In addition, pension payments will be delayed by three months and reborrowing of paid employee pension insurance premiums will be made easier.
- ▶ The reduction and delay of pension payments will also affect entrepreneur pension insurance premiums and agricultural pension insurance premiums payments.

Overview (continued)	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Temporary actions to secure survival of businesses - shortening of lay-off period ▶ Unemployment security waiting period (5 days) will be removed from lay-offs and redundancies. In addition to this, the minimum duration of employment required for eligibility for unemployment allowance will be shortened to 13 weeks if the employment has started after 1 January 2020. ▶ Entrepreneurs and self-employed irrespective of type of business (including sole traders and freelancers) will get right to unemployment allowance. To receive unemployment allowance, entrepreneurs must explain how their business has been weakened due to Covid-19. ▶ Notification period for lay-offs and for statutory employer- employee negotiations will be shortened to 5 days. Employer's lay-off right will extend to fixed-term contracts. 		<ul style="list-style-type: none"> ▶ Finland is expected to provide a range of VAT reliefs. ▶ The Finnish tax authorities cannot grant more time for filing VAT returns or other tax returns for self-assessed taxes. However, tax payers can request that the late-filing penalty is removed. If tax payers have a justified reason for filing late, such as illness, you may not have to pay a late-filing penalty, 	<ul style="list-style-type: none"> ▶ The interest rate for late payment is reduced to 4% (currently 7%) for taxes due from 1 March 2020. ▶ The deadlines for paying taxes are postponed (further details of this are not yet known). ▶ Pension funds may grant upon application a postponement up to 3 months for pension premiums paid by employers and self-employed individuals. ▶ The Finnish Tax Administration has temporarily changed its practices regarding changes to advance tax payments for FY20. The new practice is that the advance tax payments of corporate income tax can be lowered upon a request of the taxpayer without interim financial statements, revised budget or other documentation. This can easily be done through the webservice "Omavero" of the Finnish tax authorities. Should there be Finnish entities which are currently paying advance tax but estimate that the taxable income of the company in FY20 will decrease, the entities can consider decreasing the amount of advance tax payments. For example, this could be relevant in real estate business if premises are left unoccupied. It is also noteworthy that if the advance taxes turn out to be lacking for FY20, supplement advance taxes for FY20 must be paid at latest 31 January 2021 in order to avoid interest payable. ▶ Payment arrangements for taxes can be applied for as of 25 March 2020 with less strict if the company has financial difficulties due to Covid-19 ▶ Payment arrangement means that additional time is granted to pay taxes. Tax Administration does not collect due taxes via enforcement authorities while the payment arrangement is in force ▶ Requesting additional time to file a tax return ▶ Additional time to file a tax return can be requested 	<p>EY materials</p> <p>Responding to Covid-19</p> <p>Corona virus (Covid-19), The most important labor law issues in the Nordic countries</p> <p>Government materials</p> <p>Corona situation: Recent updates (Finnish tax authorities)</p>

Overview

- ▶ The French President has affirmed his support to French companies with exceptional measures for deferring tax and social charges, supporting the postponement of bank instalments and State guarantees up to 300 billion euros for all bank loans.
- ▶ A law has been published, allowing the government to take action by way of order in the context of the health crisis. On 25 March 2020, 25 ordinances were presented to the Council of Ministers.
- ▶ For the smallest French companies and for as long as the current situation will last, the payment of taxes, social security contributions, or various invoices (e.g., water, gas or electricity and rents) may be suspended.
- ▶ The partial unemployment scheme will be massively extended for employees, and a solidarity fund will be funded by the State for entrepreneurs, merchants, artisans.
- ▶ The government affirmed the objective of quick payment of suppliers of public administrations (i.e., on average 20 days).
- ▶ The employee and employer social contributions payments ("URSSAF") due on the 15 March 2020 can be postponed upon request, in whole or in part, for up to 3 months.
- ▶ The Prime Minister's Office has announced that companies that have paid dividends would be required to repay, with penalties, the sums (taxes and social security charges) that have been deferred. At present, no legislation has been passed on this subject.

Personal tax

- ▶ 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 employee's, no deferrals or discounts are contemplated for the employee's payments at source of personal income tax.
- ▶ One of the proposed ordinances includes premiums up to 1000 euros, paid to companies with less than 250 employees without the ward employees for going to their place of work, that would be exempted for obligation of having an incentive agreement.
- ▶ Tax authorities stated an agreement has been found with Belgium, Luxembourg and Switzerland regarding the consequences of the Covid-19 outbreak for French-residents frontier workers. Fact that frontier workers work from their home during the pandemic will have no incidence on their status for tax purposes.

VAT, GST and trade

- ▶ The postponement can only concern 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 today).
- ▶ The government affirmed the objective of a rapid refund of excess input VAT to the companies (i.e., within 1 month in 80% of cases).
- ▶ The Amending Finance Bill for 2020 adopted by the National Assembly contains a measure allowing exemption from customs and similar duties on the import and delivery of certain goods needed in the event of a state of health emergency.

Business tax

- ▶ 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 authorities' 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 objective of rapid refund of tax credit for competitiveness and employment ("CICE") (i.e., within 3 months in 75% of cases).
- ▶ Pending tax audits are continuing but at the discretion of the FTA

Links and resources

Government materials

<https://www.impots.gouv.fr/portail/node/13465>

Overview

- ▶ On 13 March 2020, several measures were implemented by the Government of Georgia for the purpose of supporting the economy and mitigating the negative impact caused by coronavirus spread. Based on the statement issued by the Government, banks shall restructure loans of the businesses, which may face repayment problems. Moreover, citizens who wish to postpone repayment of the loan, will be offered a 3-month grace period by the banks.
- ▶ On 17 March 2020, Revenue Service announced that customs clearance liabilities for importers of vehicles will be postponed until 1 September 2020 for vehicles that were imported before 1 April 2020.
- ▶ On 19 March 2020, the Government of Georgia issued a statement, according to which all trading facilities throughout Georgia shall be closed, except grocery stores, pharmaceutical networks and gas stations, postal services and banks.
- ▶ On 21 March 2020, a state of emergency was declared throughout the whole territory of Georgia until 21 April 2020.
- ▶ On 23 March 2020, the Government of Georgia issued an Ordinance which envisages several measures for prevention of spread of novel coronavirus, such as suspension of international flights, public transportation, and educational processes, as well as prohibition of public gatherings consisting of 10 or more individuals.

Personal tax

- ▶ The Government of Georgia will postpone the liability of payment/declaration of property and personal income taxes for the enterprises engaged in tourism-related activities and other entities whose business activities have ceased due to the current state of affairs, for 4 months.
- ▶ Enterprises operating in the tourism industry include hotels, restaurants, travel agencies, transportation companies etc. For the purpose of obtaining the relief, taxpayers are required to submit an application to the Revenue Service of Georgia.

VAT, GST and trade

- ▶ The Government of Georgia will double the initially determined amount of VAT refund to the enterprises engaged in tourist activities and the Ministry of Finance of Georgia will return GEL 1,200 million to the companies until the end of the year.

Business tax

Links and resources

Government materials

- ▶ http://gov.ge/index.php?lang_id=ENG&sec_id=288&info_id=75563
- ▶ http://gov.ge/index.php?lang_id=ENG&sec_id=288&info_id=75732
- ▶ https://www.rs.ge/Default.aspx?sec_id=4845&lang=1&newsid=5782

Overview

- ▶ On 23 March 2020, the German Government agreed on several measures to address the economic impact of Covid-19. The German Bundestag/parliament approved the Government draft law on 25 March and the proposals passed the Federal Council on Friday, 27 March.
- ▶ The laws cover the measures already announced previously and have a volume of approx. EUR 122.5 billion:
 1. Making the reduced hours compensation benefit (Kurzarbeitergeld) more flexible
 2. Ad-hoc aid for small businesses
 3. A protective shield worth billions for businesses
 4. Economic Stabilization Fund
 5. Loosening of insolvency/bankruptcy and other laws
- ▶ Reduced hours compensation will be available if 10% of the employees are affected (regular threshold of 1/3), negative hours balances will not accrue, social security contribution on the reduced hour compensation will be refunded and agency workers can be included.
- ▶ Small businesses with up to 10 employees will receive a direct subsidy for certain expenses (e.g., rent payments) in form of a one-time payment if economic hardship is caused by COVID-19. The payment will amount up to EUR 9,000 for businesses with up to 5 employees and up to EUR 15,000 for businesses with up to 10 employees. However, the subsidy will be considered taxable income.
- ▶ Conditions for the KfW-Unternehmerkredit (business loan for existing companies) and the ERP-Gründerkredit-Universell (start-up loan for companies that are less than five years old) will be loosened by raising the level of risk assumptions (indemnity) for operating loans and extending these instruments to large enterprises. The previously applicable turnover thresholds are eliminated and the programs are now available to enterprises irrespective of their turnover. Higher risk assumptions of up to 80% (90% for small and medium businesses) for operating loans of up to EUR 1 billion will increase banks' willingness to extend credit.
 - ▶ The KfW can now participate in syndicated financings and assume up to 80% of the risk (however limited to 50% of the overall financing risk).
 - ▶ For guarantee banks (Bürgschaftsbanken), the guarantee limit will be doubled, to €2.5 million. The Federation will increase its risk share in guarantee banks by 10% to make it easier to shoulder risks, which are difficult to assess in times of crisis. The upper limit of 35% of operating resources in guarantee banks' total exposure will be increased to 50%. To accelerate liquidity provision, the Federation is giving guarantee banks the freedom to make guarantee decisions up to €250,000 independently and within a period of three days.
- ▶ The large guarantee program (parallel guarantees from the Federation and the Länder) will be opened up to companies in other regions, as well.
 - ▶ For companies that have temporary serious financial difficulties because of the crisis and therefore do not have easy access to existing support programs, additional special KfW programs were launched.
- ▶ The European Commission approved the program on 22 March.
- ▶ The former bank rescue fund "Soffin" will be converted into an "economic stabilization fund" for large businesses which are critical for the system. The fund can provide equity financing, participate in re-financing (e.g., absorb certain liabilities) and has a volume of EUR 600 billion.
- ▶ Insolvencies due to the Covid-19 impact have not to be declared until 30 September 2020. Further, the law implements a moratorium for certain obligations which were taken on prior to 8 March and if their fulfillment would constitute a danger for health of economic survival. Moreover, lease agreements cannot be terminated due to outstanding lease payments for the period 1 April to 30 June if the lessee's inability to pay the lease payments is due to Covid-19 impact.
- ▶ For certain types of reorganizations (e.g., mergers and de-mergers), a balance sheet not older than 8 months has to be filed with the responsible court. This deadline is extended to 12 months, which effectively also means that such transactions can now be executed with 12 months retroactivity for tax purposes as the balance sheet date is generally decisive in this regard.

Business tax

- ▶ After political announcement and after individual federal states had already published decrees and information on deferral and enforcement relief in connection with the coronavirus, on 20 March 2020, the Ministry of Finance also specified the tax relief measures in two official letters (decree of the Federal Ministry of Finance and identical decrees of the federal states on trade tax aspects). The basic intention is to avoid liquidity bottlenecks for taxpayers due to tax payments. Overall, businesses shall be able to defer billions of Euros in tax payments.
- ▶ The measures outlined in the decree are as follows:
 - **Deferral of tax payments:** Taxpayers which can demonstrate that they are directly and not insignificantly affected may, until 31 December 2020, submit applications for the deferral of taxes which are already due or are becoming due until that date. Requests for deferral of taxes which become due after 31 December 2020 must be specifically justified. Interest on deferred taxes shall generally be waived.
 - **Reduction of tax prepayments:** Taxpayers may, until 31 December 2020, submit applications for the adjustment of tax prepayments. Requests for adjustment of tax prepayments which only concern periods after 31 December 2020 must be specifically justified. 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 shall be reduced in a swift and straightforward manner.
 - **Waiver of enforcement measures and penalties:** If the tax office becomes aware of the fact that a taxpayer is directly and not insignificantly affected, either through notification of the debtor or in some other way, the tax office should abstain from enforcement measures until 31 December 2020. In that case late-payment penalties which would otherwise be levied from 20 March 2020 until 31 December 2020 shall be waived.
- ▶ **Who can benefit?** According to the decree only those taxpayers shall benefit from the tax relief measures who can demonstrate that they are directly and not insignificantly affected by the economic consequences of the coronavirus. Only indirectly and/or insignificantly affected taxpayers shall at least based on the wording of the decrees not benefit. Whereas it is unclear when a taxpayer is considered to be directly and not insignificantly affected, the tax offices are generally asked to not apply too strict requirements when checking the conditions. It is in particular not required that the taxpayer can document and prove the specific damages and the corresponding amounts.
- ▶ **Which taxes are covered?** The two decrees in particular cover VAT, personal income tax, corporate income tax and trade tax (the later is covered by the identical state decrees).
 Not covered are for example wage tax and other withholding taxes (e.g. dividend and royalty withholding tax) payable by a third party. However, the overall context of the decrees should be understood in a sense that the same liquidity sequence is achieved through the above-mentioned deferral of enforcement measures without penalties. The Bavarian tax authority also points out on its homepage wage and other withholding taxes cannot be deferred, but that there is the possibility of submitting an application for a waiver of enforcement measures with the competent tax office. Thus, upon filing of the application, all tax payments covered by the measures could be stopped.
 Regarding the wage tax, we expect further guidance to be issued by the tax authorities in the near future.
- ▶ **What has to be demonstrated?** The above mentioned requests shall not be rejected because the taxpayers cannot prove the value of the damages incurred or expected to incur in detail. The tax authorities are asked to not apply strict requirements when reviewing the conditions for applying the above measures. Hence, it should generally be sufficient to show that a taxpayer is directly and not only insignificantly affected.
- ▶ **Social Security Contributions:** The general possibility of a deferral of social security payments shall be facilitated according to a circular of the responsible social security umbrella organization as of 24 March (updated 25 March). It can basically be granted if the employer plausibly explains that he suffers from financial damage (e.g., loss of turnover) due to the corona crisis. However, a deferral of social security payments is only possible if the employer has already made use of the other available corona crisis related aid measures (see above), in particular reduced hours compensation benefit (Kurzarbeitergeld), ad-hoc aid and business loans. Only if these measures are not sufficient for the employer to be able to fulfil all social security contribution obligations, he can, without providing a security, apply for an interest-free deferral of social security contributions for the months March and April (the first circular also included the month of May, though, May is not included in the latest update and therefore seems to be excluded from the deferral).

Personal tax

- ▶ See business tax measures

VAT, GST and trade

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

Links and resources

Government materials

German version: Pressemitteilung: Beitragsstundungen erst dann, wenn alle Hilfen genutzt sind
https://www.gkv-spitzenverband.de/media/dokumente/presse/pressemitteilungen/2020/PM_2020-03-25_Betragsstundungen.pdf

German version: Änderungen im Zivil-, Insolvenz- und Strafverfahrensrecht angenommen
<https://www.bundestag.de/dokumente/textarchiv/2020/kw13-de-corona-recht-688962>

German version: Ein Schutzschild für Beschäftigte und Unternehmen
https://www.bundesfinanzministerium.de/Content/DE/Pressemitteilungen/Finanzpolitik/2020/03/2020-03-13-download-de.pdf?__blob=publicationFile&v=2

English version: A protective shield for employees and companies
https://www.bundesfinanzministerium.de/Content/DE/Pressemitteilungen/Finanzpolitik/2020/03/2020-03-13-download-en.pdf?__blob=publicationFile&v=2
German version only: suspension of insolvency filing
https://www.bmjv.de/SharedDocs/Zitate/DE/2020/031620_Insolvenzantragspflicht.html

German version: KfW-Corona-Hilfe: Kredite für Unternehmen
<https://www.kfw.de/KfW-Konzern/Newsroom/Aktuelles/KfW-Corona-Hilfe-Unternehmen.html>

English version: KfW coronavirus aid: loans for companies
<https://www.kfw.de/KfW-Group/Newsroom/Latest-News/KfW-Corona-Hilfe-Unternehmen.html>

German version only: Corona-Krise: Bürgschaftsbanken erweitern Unterstützung von KMU
<https://www.vdb-info.de/aktuelles/pressemitteilungen/corona-krise-buergschaftsbanken-erweitern-unterstuetzung-von-kmu#>

German version only: Corona-Virus: Informationen für Unternehmen zum Kurzarbeitergeld
<https://www.arbeitsagentur.de/news/corona-virus-informationen-fuer-unternehmen-zum-kurzarbeitergeld>

Overview

- ▶ The Bank of Ghana's Monetary Policy Committee has issued a press release wherein it announced a reduction in the Monetary Policy Rate by 150 basis points to 14.5 percent, effective March 18, 2020.
- ▶ In addition, the press release sets out various other monetary policies aimed at containing the impact of the COVID-19 on the Ghanaian economy.

Personal tax

VAT, GST and trade

Business tax

Links and resources

Government materials

- ▶ https://www.bog.gov.gh/mpc_press_release/mpc_press_release-march-2020/

Overview

- ▶ A series of measures to help businesses affected by Covid-19 related restrictions were announced by the Chief Minister on 17 and 20 March 2020.

Personal tax

- ▶ *Affected businesses in hospitality, leisure, distributive and catering sectors:*
 - the payment of salaries to employees "will not attract any PAYE or social insurance contributions for the month of April". (It is likely that this means that employers may calculate and pay net salary in the usual manner, but not pay the PAYE/SI, and that employees will not pay tax on this, but clarification awaited on these points).
- ▶ *For all business sectors:*

During the second quarter of 2020, payments of PAYE and Social Insurance by employers may be deferred by eight weeks from the due date. Whether such measures should be extended further will be considered in consultation with the unions and business representative organizations.

VAT, GST and trade

- ▶ Import duties have been waived until midnight on 30 April in respect of all goods except for tobacco, fuel and alcohol classes of goods. This is to be reviewed before the end of April with business representative organisations.
- ▶ Licence fees due by gaming companies on 1 April are being delayed until 1 July.

Business tax

- ▶ Private landlords of affected businesses in hospitality, leisure, distributive and catering sectors will be taxed at 50% of gross rent if they do not either (a) waive at least 50% of rent due for Q2 in calendar year 2020, or (b) waive rent in Q2 and extend the lease by a further three months.
- ▶ Where a tenant is not given the above flexibility by their private landlord, Government proposes to allow the tenant "a deduction against their tax liability of three times the amount of the rent paid".
- ▶ All business rates for the second quarter of 2020 will be waived.

Links and resources

- Government materials**
- ▶ <https://www.gibraltar.gov.gi/press-releases/chief-ministers-statement-covid-19-1962020-5700>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Greece has adopted a series of emergency tax (as well as social security and labor law) measures) as a response to the unprecedented COVID-19 situation. ▶ The measures so far are included in two legislative acts (dated 11 March 2020 and 20 March 2020), implemented through various Ministerial Decisions, whereas Government announcements have declared the adoption of further measures. 	<ul style="list-style-type: none"> ▶ The payment of debts assessed and due to the Tax Administration between 11 March 2020 to 30 April 2020, as well as the payment of debt installments or partial repayments is suspended up until 31 August 2020 for: <ul style="list-style-type: none"> ▶ Private individuals that lease real estate property to affected enterprises eligible to pay 40% reduced rent due to the situation. No late payment interest or surcharges are calculated during the suspension period. ▶ The employees of affected enterprises whose employment contract has been suspended. No late payment interest or surcharges are calculated during the suspension period. 	<ul style="list-style-type: none"> ▶ The payment of VAT due between 11 and 30 March 2020 is suspended up until 31 August 2020 for affected enterprises. ▶ The payment of VAT already due on 11 March 2020 is suspended up 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 applicable VAT rate is reduced to 6% (from 24%) until 31 December 2020 for the below goods: <ul style="list-style-type: none"> ▶ protective masks and gloves ▶ antiseptic products, wipes and relevant antiseptic ▶ soap and other products used for personal hygiene purposes ▶ ethyl alcohol. ▶ All manufacturing activities for the production of antiseptics by industrial and craft enterprises for the benefit of the Ministry of Health are VAT exempt, whereas the relevant input VAT will be deductible. 	<ul style="list-style-type: none"> ▶ 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 2010 to 30 April 2020 are suspended up until 31 August 2020. ▶ The collection of debts assessed and due on 11 March 2020 are suspended up until 31 August 2020. ▶ 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. 	<p>EY materials:</p> <ul style="list-style-type: none"> ▶ https://emeia.ey-vx.com/406/82407/landing-pages/corona-virus-labor-alert-(002).pdf ▶ https://emeia.ey-vx.com/406/82407/landing-pages/en-coronavirus-labor-alert-21032020-2.pdf ▶ https://emeia.ey-vx.com/406/82407/landing-pages/covid-19-tax-alert-eng-20.03.2020-final.pdf ▶ https://emeia.ey-vx.com/406/82407/landing-pages/covid-19-tax-alert-eng-22.03.2020-update-3.pdf

Overview

- ▶ On 24 March 2020, the Guatemalan Tax Authorities issued Ruling number SAT-DSI-280-2020 which declares as non-working days for such authorities from 24 to 31 March 2020 and from 1 to 14 April 2020, for purposes of deferring the calculation of the administrative periods. Moreover, during this period the Tax Authorities may not carry out audit procedures or require compliance of tax obligations.

Personal tax

- ▶ The deadline for filing the February VAT return is extended to April 15.
- ▶ The deadline for filing the March VAT withholding tax return is 5 May.

VAT, GST and trade

- ▶ The deadline for filing the annual income tax return is April 15.
- ▶ The deadline for filing the income tax return withholding is 28 April.

Business tax

- ▶ 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 will be resumed on 15 April.
- ▶ The deadline for attending information requests or presenting administrative appeals to the Tax Authorities is suspended and will resume on 15 April.

Links and resources

Government materials

- ▶ <https://legal.dca.gob.gt/>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none">▶ Disburse HK\$10,000 to each Hong Kong permanent resident aged 18 or above▶ Waive the business registration fees for 2020-21▶ Waive registration fees for company annual returns for two years▶ Concessionary low-interest loan is introduced with 100% Government guarantee for enterprises, which will be open for application for six months. Maximum loan of \$2 million with repayment period up to three years. Moratorium on principal repayment for first six months▶ Issue inflation-linked retail bonds and Silver Bonds totaling not less than HK\$13 billion	<ul style="list-style-type: none">▶ A one-off reduction of 100% of the salaries tax and tax under personal assessment has been proposed for 2019/20, subject to a maximum reduction of HK\$20,000. The reduction will be deducted directly from the taxpayer's 2019/20 final tax payable.▶ Deadlines for tax payments, lodgement of objections and holdover applications as well as submission of tax returns and information that fall between 29 January and 1 March was automatically extended to 2 March.		<ul style="list-style-type: none">▶ A one-off reduction of 100% of the profits tax has been proposed for 2019/20, subject to a maximum reduction of HK\$20,000. The reduction will be deducted directly from the taxpayer's 2019/20 final tax payable.▶ Deadlines for tax payments, lodgement of objections and holdover applications as well as submission of tax returns and information that fall between January 29 and March 1 was automatically extended to March 2.	<p>Government materials</p> <ul style="list-style-type: none">▶ Hong Kong 2020-21 Budget Insights <p>EY materials</p> <ul style="list-style-type: none">▶ Government budget announcement

Overview

- ▶ The Hungarian government suspended the monthly payments on loans for all businesses and private individuals, provided that the loans were concluded on or before 18 March 2020. The moratorium will likely apply for all the monthly payments that would be due in 2020.
- ▶ Also, it was announced that more economy/business related announcements are to come in the following days.

Personal tax

- ▶ Employees working in severely hit industries, e.g., tourism, hospitality, entertainment, sports, cultural services (e.g. theaters, cinemas) will pay significantly lower social security contributions until 30 June 2020.
- ▶ In addition in relation to these industries, the Hungarian Government waived the employment related contribution payment obligation of employers until 30 June 2020.

VAT, GST and trade

Business tax

Links and resources

Overview

- ▶ The government is currently prohibiting gatherings of 20 people and more. This is, however, subject to some limitations -e.g. in respect of access to supermarkets etc. The ban is effective as of March 24, 2020.
- ▶ The following have been announced:
 - ▶ Icelandic Government will take on up to 75 percent of salaries.
 - ▶ State-backed bridging loans for companies.
 - ▶ Financial support for tourism sector.
 - ▶ One-off child benefit payment.
 - ▶ Access to third-pillar pension savings (private pension savings).
 - ▶ Public projects accelerated - investment in technical infrastructure.

Personal tax

VAT, GST and trade

- ▶ The tax on overnight stays (bed-night tax) will be suspended temporarily from 1 April 2020 through 31 December 2021, and the due date for payments from January through March 2020 will be postponed until February 2022.
- ▶ Reimbursement of VAT on labor for work carried out at a residential construction site will temporarily be increased from 60% to 100%. The authorization will also extend to vacation property and to design or supervision, the VAT reimbursement provision will be extended to the third sector organizations including charities and sports associations.

Business tax

- ▶ Employers can request authorization to defer up to three payments of pay-as-you-earn (PAYE) tax and payroll tax due and payable from 1 April 2020 through 1 December 2020, upon fulfilment of certain requirements.
- ▶ Authorization granted for the Minister to cancel or reduce companies' income tax prepayments.
- ▶ Payment due dates for import levies for settlement periods beginning in March 2020 for those companies that use a grace period (deferred payments) will be split into two payment due dates, with authorization for the entry of all input tax for the period concerned.
- ▶ The bank tax reduction previously passed into law, which was to take effect in increments from 2021-2023, will be expedited and will take effect in full in 2021. This will give the banks extra scope to support households and businesses.

Links and resources

Government materials

- ▶ <https://www.government.is/diplomatic-missions/embassy-article/2020/03/21/Icelandic-Government-announces-1.6bn-USD-response-package-to-the-COVID-19-crisis/>

Overview

- ▶ On 19 March 2020, India announced formation of the COVID-19 Economic Response Task Force which has announced various measures including approval of schemes worth \$1.5 billion and \$560 million respectively to ensure production of critical drugs and medical equipment in India.; permitting food grain to be lifted by States/ Union Territories on credit from Food Corporation of India for 3 months
- ▶ Measures introduced by the Central Bank include \$4 billion in forex swaps to provide dollar liquidity at a time when dollar availability is drying up; \$5.7 billion in government bond purchases in March; \$14 billion in overnight liquidity made available to banks via the repo window; \$14 billion in long term repo operations where banks can raise funds for 1-3 years at the repo rate
- ▶ Measures announced by the Capital market regulator- Securities and Exchange Board of India (SEBI) includes relaxation in compliance requirements pertaining to Mutual Funds; relaxations in compliance requirements for Real Estate and Infrastructure Investment funds; Relaxation in compliance requirements for listed entities
- ▶ An Emergency Fund for South Asian Association for Regional Cooperation (SAARC) countries proposed which can be used by any of the partner countries to meet the cost of immediate actions. The Fund will be based on voluntary contributions from all the countries, with India making an initial offer of \$10 million for the fund.
- ▶ Companies' expenditure to deal with the coronavirus outbreak will be considered as Corporate Social Responsibility (CSR) activity
- ▶ Mandatory requirement of holding Board meetings by Indian Companies within prescribed interval of 120 days shall be extended by a period of 60 days for next 2 quarters
- ▶ No fee charged for delayed corporate law filings in respect of any document, return, statements from 01 April 2020 to 30 September 2020
- ▶ Applicability of Companies (Auditor's Report) Order, 2020 made applicable from 2020-21 instead of 2019-20
- ▶ Requirement to file Declaration for Commencement of Business by New Companies increased to 12 months from 6 months
- ▶ Other State specific and Sector specific measures also announced
- ▶ On March 26, 2020, India announced \$24 billion relief fund for several important relief measures addressing the immediate concerns of the weakest sections of the society including farmers, construction workers and poor women
- ▶ Benefits include food security and direct cash benefit transfers (DBT)
 - ▶ Eight specific announcements made, largely covered by DBT including farmers, poor widows, pensioners and disabled people, poor women
 - ▶ Benefits include wage increase, one-time ex-gratia, collateral free loans, social security contributions
- ▶ Medical insurance cover to be provided for healthcare workers such as doctors, nurses and other frontline workers

Personal tax*

- ▶ Due date for filing belated returns and revised return for tax year 2018 -2019 has been extended from 31 March 2020 to 30 June 2020
- ▶ The deadline for Aadhar-PAN linking requirement shall also be 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 Aadhar.

VAT, GST and trade

- ▶ 24/7 clearances at all customs stations till 30 June 2020 to address any congestion, delay or surge on account of prevailing conditions
- ▶ The Apex Court of India- Supreme Court has extended period of limitation for all the proceedings before Courts and Tribunals w.e.f. 15 March 2020 till further orders
- ▶ Courts and Tribunals have restricted hearings to urgent matters
- ▶ Approval of extension of scheme for Rebate of State and Central Taxes and Levies on Export of Garments and Made-ups from April 1, 2020 onward till the scheme is merged with Remission of Duties and Taxes on Exported Products.
- ▶ Approval of recapitalisation of regional rural banks to improve their capital to risk-weighted assets ratio. Utilization of \$95 million has been approved as the central government's share for this scheme.

Business tax

- ▶ Due dates for issue of any notice, intimation, approval, reports, documents etc. under the Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law which fall within the period 20 March 2020 to 29 June 2020 shall also be extended to 30 June 2020

Links and resources

Government materials

- ▶ <https://www.bloombergguint.com/economy-finance/cabinet-meet-live-updates-government-to-announce-decisions-taken-amid-coronavirus-outbreak-nirmala-sitharaman-narendra-modi-labour-minister-workforce-financial-plan-measures-direct-benefit-transfer-gdp-economy>

* The above measures were announced on 24 March 2020 by the Indian Finance Minister. Formal notifications yet to be issued

Overview	Personal Tax	VAT, GST and Trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ On 23 March 2020, the Minister of Finance (MOF) issued a regulation for a tax stimulus package due to the Covid-19 outbreak. The following key relevant programs are available for six months: <ul style="list-style-type: none"> ▶ Employee Income Tax borne by the Government. ▶ Import tax exemptions. ▶ 30% reduction of CIT instalments. ▶ In advance VAT refund claims. ▶ Key non-tax strategies includes (1) improved export and import procedures, and (2) banks restructuring and rescheduling loans. ▶ The Government issued a Regulation In Lieu of Laws on 31 March 2020 and is in effect immediately¹, which includes the following changes of tax policies: <ul style="list-style-type: none"> ▶ Reduced CIT rate. ▶ Implementation of taxes on the digital economy. ▶ Extended timeline on time limit or deadline for tax refund process, tax objection letter submission, tax objection process, administrative penalty relief that falls within the “force majeure” period². ▶ MOF is authorized to determine policy related to import tax duty exemption. 	<ul style="list-style-type: none"> ▶ Employee income tax will be borne by the government for the tax period of April to September 2020, and is available for: <ul style="list-style-type: none"> ▶ Companies that are registered under any of 440 sector codes (which are predominantly manufacturing); and/ or ▶ Companies that are registered as export oriented companies (KITE status); and ▶ Any employees whose regular income does not exceed IDR200 million (cUSD13k) per year. ▶ Extension of annual individual tax return filing timeline <ul style="list-style-type: none"> ▶ Late payment and filing of individual tax returns from 1 April to 30 April 2020 are exempt from penalty. 	<ul style="list-style-type: none"> ▶ Advance VAT refunds of up to IDR5billion (cUSD330k) (without automatic tax audit) for the tax period from April to September 2020 is available for companies that are: <ul style="list-style-type: none"> ▶ Registered under any of 102 manufacturing sector codes; and/or ▶ Registered as export-oriented companies (KITE status). ▶ New VAT collection mechanism on digital products and service transactions is in effect from 31 March 2020¹. It requires international digital companies or market place providers to collect VAT related to the supply of digital products and services to customers located in Indonesia. The implementing regulations will be issued soon. 	<ul style="list-style-type: none"> ▶ The following incentives are available for the tax period from April until September 2020: <ul style="list-style-type: none"> ▶ 30% reduction of CIT instalments; and/ or ▶ Import tax exemptions (non-final withholding tax relief). The incentives are available to qualified companies that are: <ul style="list-style-type: none"> ▶ Registered under any of 102 manufacturing sector codes; and/or ▶ Registered as export-oriented companies (KITE status). ▶ The following changes of tax policies are issued and in effect on 31 March 2020¹: <ul style="list-style-type: none"> ▶ The CIT rate is reduced from 25% to 22% for tax years 2020 and 2021 and to 20% for tax year 2022 onwards. A 19% CIT rate applies for certain IDX listed companies for tax years 2020 and 2021, and a 17% tax rate would apply for tax year 2022 onwards. ▶ A digital permanent establishment concept and an electronic transaction tax have been introduced. Implementing regulations will be issued soon. 	<p>Government materials in Bahasa:</p> <ol style="list-style-type: none"> 1. https://www.pajak.go.id/id/peraturan-menteri-keuangan-nomor-23pkm032020 2. https://www.pajak.go.id/id/keputusan-direktur-jenderal-pajak-nomor-kep-156pj2020 3. https://www.ojk.go.id/id/regulasi/Pages/Stimulus-Perekonomian-Nasional-Sebagai-Kebijakan-Counterfactual-Dampak-Penyebaran-Coronavirus-Disease-2019.aspx

¹ Under Article 22 of the Constitution, in case of an emergency such as force majeure, the President is empowered to issue Government Regulation In Lieu of Laws (PERPU). To have a permanent force in law, such PERPU must be submitted at the next seating of the House of Representatives to be either accepted or rejected. If accepted, PERPU becomes permanent Law, if rejected it is annulled and void. The House Speaker, Puan Manarani, announced that the House will hold its Plenary Meeting in the week ending 3 April 2020.

² Force majeure period is currently governed covering period between 29 February and 29 May 2020.

Find the most current version of this tracker on [ey.com](https://www.ey.com)

[Return to jurisdiction list](#)

Overview

- ▶ Waiver of the penalties applicable to the late payment of the February 2020 social security contributions, which are due by the end of March 2020.

Personal tax

VAT, GST and trade

Business tax

Links and resources

Overview

- ▶ The Irish government has approved an emergency wage subsidy scheme in response to COVID-19. An employer can qualify for this subsidy if they can show that they have lost at least 25% of their trade, experience COVID-19 disruption, is unable to pay normal wages and outgoings fully and retain their employees on the payroll. Under the scheme the employer will be able to claim 70% of their employees net wage. In effect, the government will pay 70% of a workers salary up to a cap of €410 per week net - equivalent to the after tax income of a worker on circa €40,000. Employers should pay no more than the normal take home pay of the employee. The scheme will initially run for 12 weeks from 26th March 2020.
- ▶ Additionally, the operation of the scheme will reduce the burden on the Department of Employment Affairs and Social Protection (DEASP) which is dealing with the other Covid-19 related payments.
- ▶ Proposed actions by the banks to build on the Irish Government's response, and the ECB's monetary and regulatory policy measures to deliver real support to individuals, SMEs and companies.
- ▶ The range of supports proposed by the the Banking and Payments Federation Ireland (BPF), and to be discussed with the Central Bank, are customer focused so as to cater for the different impacts of COVID-19 on each individual customer. These proposals include:
 - ▶ Flexible arrangements, including payment break for Mortgages and other loans for 3 months
 - ▶ Support for buy to let bank customers with tenants affected by Covid-19
 - ▶ Extensive supports for SME customers - Banks are working to ensure a wide range of credit, cash flow and supply chain supports are offered to businesses who are trying to manage the pressures arising from Covid-19
- ▶ In addition, the banks are adopting a customer focussed approach to these businesses with a wide variety of tailored supports including extensions of credit lines, risk guarantees, and trade finance
- ▶ Central Bank of Ireland will reduce the Countercyclical Capital Buffer, from 1% to 0%. This will free up bank capital to provide credit, and to restructure and extend existing loans.
- ▶ €200m Strategic Banking Corporation of Ireland Working Capital scheme for eligible affected businesses. Loans of up to €1.5 million will be available at reduced rates, with up to the first €500,000 unsecured.
- ▶ €200m for Enterprise Supports including a Rescue and Restructuring Scheme as part of the Extension of the Rescue and Restructuring Scheme 2017 available through Enterprise Ireland for vulnerable but viable firms that need to restructure or transform their business.
- ▶ Increase in the maximum loan available from Microfinance Ireland from €25k to €50k as an immediate measure to specifically deal with exceptional circumstances that micro-enterprises - (sole traders and firms with up to 9 employees) - are facing.
- ▶ The Irish Registrar of Companies has decided that all annual returns due to be filed by any company now and up to 30 June 2020 will be deemed to have been filed on time if all elements of the annual return are completed and filed by that date.
- ▶ Businesses which are seeking support to assist with business continuity and preparedness connected to the Covid-19 outbreak, may be provided with a Business Continuity Voucher subject to certain conditions and criteria.
- ▶ The Irish government have approved measures to protect renters who have been impacted by Covid-19. The measures include:
 - ▶ no evictions or rent increases for the duration of the COVID-19 emergency
 - ▶ extending the notice period for renters who have been renting for less than 6 months from 28 days to 90 days
- ▶ Removal of means test required for supplementary welfare allowances in respect of medically certified cases of self-isolation.
- ▶ The personal rate of Illness Benefit will be increased from €203 per week to €350 per week for a maximum period of two weeks of medically certified self-isolation, or for the duration of a person's medically-certified absence from work due to Covid-19 diagnoses.
- ▶ Self-employed people will be entitled to receive either illness benefit or non-means tested supplementary welfare allowance.
- ▶ The existing systematic short-time working scheme is available for employees who may be placed on reduced working arrangements.
- ▶ PAYE Dispensation Applications - Given the unprecedented circumstances and the restrictions on travel as a consequence of Covid-19, Irish Revenue will not strictly enforce the 30 day notification requirement for PAYE dispensations which is applicable to short term business travelers from countries with which Ireland has a double taxation treaty who are going to spend in excess of 60 workdays in Ireland in a tax year.
- ▶ Foreign Employments - Operation of PAYE - Irish 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 Ireland during the Covid-19 period and performs duties for his or her foreign employer while in Ireland.

Personal tax measures

- ▶ A workday allowance for e-workers (as defined in legislation) of €3.20 can be paid by employers free of payroll taxes subject to a number of conditions.
- ▶ The collection of stamp duty on credit cards which is normally levied in April has been deferred until July.
- ▶ The deadline for claiming a real-time foreign tax credit on RSUs provided through payroll (i.e., 31 March 2020) will be suspended.
- ▶ The filing deadline for all 2019 share scheme returns is being extended to 1 June 2020.
- ▶ The Special Assignee Relief Programme - employer filing obligation has been extended to 150 days. Any cases submitted after this extension can be submitted to Irish Revenue for consideration on a case-by-case basis.
- ▶ Irish Revenue have confirmed that where an individual cannot leave the country because of COVID-19, Irish Revenue will consider this a 'force majeure' for the purposes of establishing an individual's tax residency position.
- ▶ Irish Revenue will not seek to strictly enforce the 30 day notification requirement for payroll dispensation which is applicable to some short term business travelers.
- ▶ Irish Revenue have indicated that where an employee is integral to the business and was required to return to deal with issues related to the COVID-19 crisis by his or her employer, the costs incurred are reasonable and the employee is not otherwise compensated (i.e. via an insurance policy); a BIK will not arise. This may include costs related to family members who were on holiday or due to go on holidays with the employee. Irish Revenue have also issued clarity on the provision of employer provided vehicles to employees during COVID-19 and the calculation of a BIK on same.

VAT/GST and trade

- ▶ The application of interest on late payments is suspended for January/February VAT and both February and March Employers liabilities for SMEs.
- ▶ All debt enforcement activity is suspended until further notice.
- ▶ Irish Revenue have indicated that they will prioritize the approval of repayments, primarily for VAT and PSWT refunds, to taxpayers.
- ▶ A relief from Alcohol Products Tax will continue to apply to alcohol used in the production of a range of medicinal and other products (such as hand sanitizers). To benefit from this relief, producers must apply to Irish Revenue to be authorized to receive alcohol for this purpose.

Business tax measures

- ▶ The Relevant Contract Tax (RCT) rate review scheduled to take place in March is suspended.
- ▶ Irish Revenue have indicated that they have suspended all audit interventions until further notice.
- ▶ Irish Revenue have suggested that companies continue to file tax returns even if payment of resulting liabilities cannot be made. If key tax personal are unavailable to compute returns then Irish Revenue advise that the return should be submitted on a 'best estimate' basis.
- ▶ Irish Revenue have suspended the application of the surcharge for late filing of tax returns for accounting periods ending June 2019 onwards (due for filing by 23 March 2020 onwards) until further notice.
- ▶ Irish Revenue have indicated that they will prioritize the approval of repayments, primarily for VAT and PSWT refunds, to taxpayers. Irish Revenue have also confirmed that, in exceptional circumstances and subject to the appropriate checks, they will expediate the payment of any instalment of excess R&D credit that is due in 2020 by bringing forward payment in advance of the statutory payment date. Requests for payment can be made through Irish Revenue's Online System.
- ▶ Irish Revenue announced measures to assist SMEs experiencing cashflow difficulties.
- ▶ Businesses, other than SMEs, who are experiencing temporary cash flow/trading difficulties should contact Irish Revenue to arrange a payment. The advice of Irish Revenue is to contact them early if a company is running into, or facing into, difficulties in paying tax.
- ▶ For corporation tax purposes, Irish Revenue have indicated where an individual is present in Ireland and that presence is shown to result from travel restrictions related to COVID-19, Irish Revenue will be prepared to disregard such presence in Ireland for corporation tax purposes for a company in relation to which the individual is an employee, director, service provider or agent.
- ▶ Additionally, where relevant, if an individual is present in another jurisdiction as a result of COVID-19 related travel restrictions, and would otherwise have been present in Ireland, Irish Revenue will be prepared to disregard such presence outside Ireland for corporation tax purposes for a company in relation to which the individual is an employee, director, service provider or agent.
- ▶ In relation to the two above bullets, the individual and company should maintain a record of the facts and circumstances of the **bona fide** relevant presence in Ireland, or outside of Ireland, for production of evidence if requested.

Links and resources

Government materials

<https://www.revenue.ie/en/corporate/press-office/press-releases/2020/pr-130320-revenue-announce-measures-to-assist-smes-experiencing-cashflow-difficulties-arising-from-covid-19.aspx>

<https://www.gov.ie/en/news/72ectf5-government-agrees-next-phase-of-irelands-covid-19-response/>

<https://www.revenue.ie/en/corporate/communications/covid19/index.aspx>

<https://www.gov.ie/en/press-release/a6d8fa-government-announced-new-covid-19-income-support-scheme/>

Overview

Stimulus package and government-backed and guaranteed loans

- ▶ In response to the rapid spread and impact of COVID-19, the Israeli Prime Minister announced on Monday 11 March an NIS10 billion stimulus package.
- ▶ From this amount, it is expected that NIS8 billion will be extended as **government-backed and guaranteed loans to small-medium businesses**.
- ▶ This program is designated for Israeli businesses with a maximal NIS100 million annual turnover, that will present a causal link between the business flow difficulties and working capital needs and the outbreak of the virus.
- ▶ The loan amount that can be extended will be the highest of NIS500K or 8% of the latest annual turnover, with favorable terms (e.g., five-year loan, six-month grace period on the principal, low interest rates, reduced 10% security deposit, etc.). It was announced that requests under this program should be handled promptly. It has been announced that no interest will be paid in the first year of loan, and that the interest rate might be as low as 1.5% above the Prime Rate.
- ▶ In addition, the request can be made directly to the bank without the need for a preliminary examination of the Government, and there will be leniencies regarding the personal guarantee rates and the forms that will be required to be submitted. Requests should be approved within seven business days from filing.

COVID-19 dedicated grants program

- ▶ The Israeli Innovation Authority (IIA), together with the Ministry of Health and the Digital Israel Headquarters at the Office of Social Equality announced a designated NIS50 million grants program for research and development (R&D) programs and demonstration of systems, products or technological solutions to meet the challenges of the Coronavirus.
- ▶ The IIA, together with the Ministry of Economy and Industry in collaboration with the Manufacturers Association of Israel, also offers grants for manufacturing plants for R&D programs and technological innovation for industrial product development, designed to prevent, treat and deal with the Coronavirus.

Other IIA grants and reporting leniencies

- ▶ The IIA announced that it continues to operate and that companies can continue to file requests for grants.
- ▶ In addition, the IIA will allow certain temporary leniencies with respect to companies' reports, e.g., recognition of work performed by employees from home (rather than the company's site); leniencies regarding signatures on attendance reports and other official documents; changes and extensions to development periods, among others.

Self employed dedicated grants

- ▶ The Israeli Government will also extend special grants to self-employed individuals if their taxable income did not exceed NIS150,000 in 2018. The amount of the grant will be half the average monthly income for that year, or NIS6,000, whichever is lower. It is estimated that the grants program will be open to the public in the coming weeks

Personal tax

Income tax and social security deadlines and extensions

- ▶ 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 individuals that are not required to e-file their returns are extended until 30 June 2020.
- ▶ Income tax adjustment approvals that expired at the end of 2019 are extended until the payment date of the May 2020 salary but no later than 13 June 2020.
- ▶ The Israeli National Insurance Institute also published certain measurements including deferral of Social Security and Health Insurance payments for April 2020; the deployment of April deferred payment; and the suspension of any enforcement actions including the avoidance of new foreclosures imposition and the deferral treatment of existing foreclosures.

VAT, GST and trade

VAT deadlines and extensions

The Israeli Tax Authority (ITA) published several letters regarding extensions of filing deadlines and payments, as follows:

- ▶ 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.
- ▶ On 27 March 2020, the Israeli Government approved emergency regulations (the "Regulations") that define the period between March 22 to May 31, 2020 (the "Defined Period") as a period that will not be taken into account for the periods under the relevant tax sections listed in the Regulations, if the end of such periods falls within the Defined Period or two months thereafter. It is noted that most of the listed sections are relevant for decisions / announcements that should be made by the ITA rather than by the taxpayer. The following is a non-exhaustive list of the main VAT procedures that have been postponed:
 - ▶ VAT Statute of Limitation period (5 or 10 years from filing)
 - ▶ Filing of VAT appeal (generally, within 30 days from the day of the VAT assessment)
 - ▶ Response from the VAT authority Director on various registration requests (if response is not received within 90 days, it is considered that the Director denied the request)

Business tax

Income tax deadlines and extensions

The ITA published several letters regarding extensions of filing deadlines and certificates, as follows:

- ▶ The 2018 tax return deadline that was extended until 31 March 2020 is now extended to 30 April 2020.
- ▶ Withholding tax certificates that were expected to expire on 31 March 2020 are extended until 30 April 2020.
- ▶ The 2019 tax return filing deadlines for companies and non-profit organizations are extended until 20 July 2020.
- ▶ Registration certificates for computerized accounting system software that expired in the period starting from 1 March 2020 and ends on 30 June 2020, will be extended for a period of four months from the date of expiry.
- ▶ The ITA also opened the online system for early e-filing of the 2019 tax returns for companies and individuals by representatives and announced that the refund process for taxpayers and VAT dealers will be expedited.
- ▶ The following is a non-exhaustive list of the main income tax and withholding tax (WHT) procedures that have been postponed by the Regulations:
 - ▶ Income tax and WHT Statute of limitation period (should generally be 4 years from the end of the tax year in which the return was filed)
 - ▶ The ability of the ITA Director to re-open an income tax assessment
 - ▶ Filing of appeal on an income tax and WHT assessments received (should be filed within 30 days from the day of the income tax assessment / two weeks from the day of WHT assessment)
 - ▶ The decision of the ITA Director on Transfer Pricing ruling (should be received within 120/180 days from the application date)
 - ▶ The ITA's approval on a grant plan and/or a trustee for 102 Section grants (should be received within 90 days of filing)
 - ▶ A decision that a merger plan meets the relevant conditions for a tax-free reorganization.
 - ▶ A decision on the denial of tax benefits of a merger (should be given within 4 years from the end of the tax year)

Links and resources

Government materials

- ▶ https://www.gov.il/en/departments/news/press_16_032020_b

EY materials

- ▶ <https://globaltaxnews.ey.com/news/2020-5423-israel-acts-in-response-to-covid-19>

VAT, GST and trade

- ▶ On 27 March 2020, the Israeli Government approved emergency regulations (the "Regulations") that define the period between March 22 to May 31, 2020 (the "Defined Period") as a period that will not be taken into account for the periods under the relevant tax sections listed in the Regulations, if the end of such periods fall within the Defined Period or two months thereafter. It is noted that most of the listed sections are relevant for decisions/announcements that should be made by the ITA rather than by the taxpayer. The following is a non-exhaustive list of the main VAT procedures that have been postponed:
 - ▶ VAT Statute of Limitation period (5 or 10 years from filing)
 - ▶ Filing of VAT appeal (generally, within 30 days from the day of the VAT assessment)
 - ▶ Response from the VAT authority Director on various registration requests (if response is not received within 90 days, it is considered that the Director denied the request)

Business tax

- ▶ The following is a non-exhaustive list of the main income tax and withholding tax (WHT) procedures that have been postponed by the Regulations:
 - ▶ Income tax and WHT Statute of limitation period (should generally be four years from the end of the tax year in which the return was filed)
 - ▶ The ability of the ITA Director to re-open an income tax assessment
 - ▶ Filing of appeal on an income tax and WHT assessments received (should be filed within 30 days from the day of the income tax assessment / two weeks from the day of WHT assessment)
 - ▶ The decision of the ITA Director on Transfer Pricing ruling (should be received within 120/180 days from the application date)
 - ▶ The ITA's approval on a grant plan and/or a trustee for 102 Section grants (should be received within 90 days of filing)
 - ▶ A decision that a merger plan meets the relevant conditions for a tax free reorganization.
 - ▶ A decision on the denial of tax benefits of a merger (should be given within four years from the end of the tax year)

Links and resources

Government materials

- ▶ https://www.gov.il/en/departments/news/press_16032020_b
- ▶ <https://www.btl.gov.il/English%20Homepage/about/news/Pages/All-coronavirus-related.aspx>

EY materials

- ▶ <https://globaltaxnews.ey.com/news/2020-5423-israel-acts-in-response-to-covid-19>

Overview

- ▶ Law Decree n. 18/2020, dubbed "Heal Italy", was published in the Official Gazette on March 17, 2020 and became immediately effective (Decree). The Decree will have to be converted (with potential changes) into Law within 60 days from its publication.
- ▶ The Decree provides for a stimulus package including tax and other measures for EUR 25 billion and public guarantees to the banking system that should generate injection of new liquidity for EUR 340 billion.
- ▶ The measures concern families, enterprises, self-employed and health system personnel. Among other things, the package provides for additional resources to the health system and to civil defense, the increase of lay-off support payments for certain sectors, the possibility to obtain a suspension in the payment of banking loans.
- ▶ Other forms of support include special indemnities for workers taking care of young children, deferral of social security contributions, short-time working allowance extended to all sectors and a one-off indemnity of EUR 600 for self-employed.
- ▶ The package provides additional measures including deferring up to 20 March 2020 tax and contributions payments due on 16 March 2020 for all the taxpayers and additional suspension of VAT payments, withholdings (WHT) and contributions on the basis of turnover, business location and the sector involved.
- ▶ Activities of the Italian Tax Authority are suspended until 31 May 2020 and any tax fulfillments due in the period 8 March - 31 May 2020 are postponed to 30 June 2020.
- ▶ Taxpayers who decide to not take benefit of the suspension of tax payments may ask to be awarded with a communication on the Italian Ministry of Finance web-site.

Personal tax

- ▶ **Tax payments** - Payment of taxes, withholdings and social contributions due on 16 March 2020 were postponed to 20 March 2020. Payment of WHT on employment income and social security contributions originally due on the period between 8 March and 31 May 2020 by self-employed and enterprises with a previous FY turnover up to EUR 2 million is deferred to 31 May 2020 (in full or in 5 equal monthly instalments). WHTs on income derived till 31 March by professionals with turnover up to EUR 400,000, with no employment expenses during February 2020, are replaced by self-assessed payments due by 31 May 2020 (in full or in 5 equal monthly instalments).
- ▶ **Tax filings** - Filings due between 8 March 2020 and 31 May 2020 are postponed to 30 June 2020.
- ▶ **Statute of limitation** - The ordinary statute of limitations for FY 2015 (which should have expired on 31 December 2020) is extended by two additional years, i.e., until 31 December 2022.

VAT, GST and trade

- ▶ **Tax payments** - Payment of VAT due on 16 March 2020 was postponed to 20 March 2020. VAT payments up to 30 March 2020 are suspended (for all taxpayers operating in sectors particularly hit by the COVID-19 crisis (e.g. tourism, sport, entertainment, art, culture, education, transport, food, no-profit). VAT payments from 8 March to 31 March 2020 are suspended for taxpayers with a previous FY turnover up to EUR 2 million and who are established in Italy or have therein a fixed establishment (including, irrespective of any turnover, those located in specific areas (e.g., Bergamo, Cremona, Lodi and Piacenza provinces), irrespective of any turnover thresholds). It is not clear from the wording of the law whether the deferment also applies to Italian VAT registrations of non-established taxable persons.
- ▶ **Tax filings** - VAT fulfillments due in the period 8 March - 31 May 2020 are postponed to 30 June 2020 for taxpayers who are established in Italy or have therein a fixed establishment. It is not yet clear from the wording of the law whether the deferment also applies to Italian VAT registrations of non-established taxable persons. The deadline for the filing of the Annual VAT return of 30 April 2020 is postponed to 30 June 2020.
- ▶ **Suspension of the Tax Authority's activities** - The ordinary terms for tax audit, tax assessment, tax collection and tax litigation are suspended from 8 March 2020 to 31 May 2020. The terms applicable to reply to ruling requests are suspended from 8 March to 31 May 2020.
- ▶ **Suspension of tax litigations** - Tax court hearings are postponed to a date after 15 April 2020 and the terms for filing appeals before tax courts of first instance and other procedures are suspended until 15 April 2020.
- ▶ **Statute of limitation** - The ordinary statute of limitations for FY 2015 (which should have expired on 31 December 2020) is extended by two additional years, i.e., until 31 December 2022.

Business tax

- ▶ **Tax payments** - Payment of taxes, WHT and social contributions due on 16 March 2020 were postponed to 20 March 2020. Payment of WHT on employment income and social security contributions originally due on the period between 8 March and 31 March 2020 by self-employed and enterprises with a previous FY turnover up to EUR 2 million is deferred to 31 May 2020 in full or in 5 equal monthly instalments). A deferral of WHT and social contribution due up to 30 April applies to taxpayers of qualified business sectors (e.g. tourism, sport, entertainment, art, culture, education, transport, food, no-profit) or located in specific areas (e.g., Bergamo, Cremona, Lodi and Piacenza provinces). These payments are deferred to 31 May 2020 (in full or 5 equal monthly instalments). WHTs on income derived till 31 March by small businesses (turnover up to EUR 400,000), with no employment expenses during February 2020, are replaced by self-assessed payments due by 31 May 2020 (in full or in 5 equal monthly instalments).
- ▶ **Tax filings** - Filings due between 8 March 2020 and 31 May 2020 are postponed to 30 June 2020.
- ▶ **Tax credit for sanitation** - A tax credit of 50% of the cost for sanitizing the environment and work tools up to a maximum of EUR 20,000. Tax credit for rentals.
- ▶ **Tax credit for retail rentals** - A tax credit of 60% of the rental fee paid in March 2020 for retail spaces is recognized to enterprises other than those running "essential activities".
- ▶ **Conversion of DTAs into tax credits** - Companies (mainly banks and financial institutions) willing to dispose of Non-Performing-Loans (NPLs) and Unlikely-To-Pay-Exposures (UTPs) by 31 December 2020 may claim a partial conversion into a tax credit of the existing, although possibly unrecognized, Deferred Tax Assets (DTAs) associated with: a. Tax losses carried forward (TLCF) b. Excess notional interest deduction carried forward (NIDCF). Tax credits resulting from the above conversion (Converted Tax Credits or CTCs) can be: (i) offset without any limit against tax payables; (ii) assigned within the same group or to third parties; and (iii) reclaimed.
- ▶ **Suspension of the Tax Authorities activities** - The ordinary terms for tax audit, tax assessment, tax collection and tax litigation are suspended from 8 March 2020 to 31 May 2020. The applies also to: (1) the ordinary terms for the Tax Authorities to reply to ruling requests, and to the filing of supplementary documentation; (2) the reply to the admission request to the cooperative compliance regime; (3) the international ruling procedure; (4) transfer pricing downward adjustment procedure; (5) patent box procedures. The terms of reply for all the requests filed along the suspension period will start again from the last day of the suspension window.
- ▶ **Suspension of tax litigations** - Tax court hearings are postponed to a date after 15 April 2020 and the terms for filing appeals before tax courts of first instance and other procedures are suspended until 15 April 2020.
- ▶ **Extension term for financials approval** - Specific provisions are introduced allowing companies to call the ordinary shareholders' meeting to approve the 2019 financial statements within 180 days of the end of the financial year as oppose to 120 days. Also, the Decree generally allows all members to attend the shareholders' meeting by means of telecommunications, also in exception to the provisions of the by-laws.
- ▶ **Statute of limitation** - The ordinary statute of limitations for FY 2015 (which should have expired on 31 December 2020) is extended by two additional years, i.e., until 31 December 2022.

Links and resources**Government materials**

https://www.gazzettaufficiale.it/do/atto/serie_generale/caricaPdf?cdimg=20G000340000010110001&dgu=2020-03-17&art.dataPubblicazioneGazzetta=2020-03-17&art.codiceRedazionale=20G00034&art.num=1&art.tiposerie=SG

https://www.agenziaentrate.gov.it/portale/documents/20143/2369964/Circolare_n5_20_03_2020.pdf/f42f586c-57ae-ebf3-e1a8-953c9799c113

EY materials

<https://www.ey.com/gl/en/services/tax/international-tax/alert--italy-enacts-heal-italy-decree-to-manage-covid-19>

<https://globaltaxnews.ey.com/news/2020-5396-italian-npls-and-utps-conversion-into-tax-credits-of-deferred-tax-assets-associated-with-tax-losses-carried-forward-and-other-deferred-deductions>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ The Government of Jamaica announced a J\$25bn fiscal stimulus package consisting of a \$15bn tax reduction and a J\$10bn spending program. Additionally, there would be a J\$650m compassionate grant. ▶ The fiscal stimulus package includes, temporary grants for laid off or terminated employees in the tourism and related sectors; grants to support the poor and vulnerable; the informally employed as well as micro and small businesses. Additionally, the Government announced the reallocation of expenditure to finance compassionate grants, to attend to the needs of the elderly, infirmed and the homeless and to support small farmers. ▶ The Government also announced the deferral of principal and interest payments on student loans for a three month period from April to June 2020. 	<ul style="list-style-type: none"> ▶ There were no specific announcements regarding personal taxation. However, the Government announced their intention to introduce the "Supporting Employees with Transfer of Cash (SET Cash)" which involves the provision by the Government of temporary cash transfers to individuals (from any sector) who lost employment after 10 March 2020 (date of first Covid-19 case in Jamaica) and before June 30. ▶ The pprovision of Covid Grants to marginally self employed and informally employed. 	<ul style="list-style-type: none"> ▶ Waiver of Customs Duty on the importation of masks, gloves, hand sanitizers and liquid hand soap for a 90 day period. ▶ Waiver of Special Consumption Tax on approximately 100,000 liters of alcohol for use in making sanitizers for donation to the National Health Fund and the Ministry of Health. ▶ Introduction of the Business Employee Support and Transfer of Cash (Best Cash) that will provide temporary cash transfers to registered businesses operating in the hotel, tours, attraction companies, segments of the tourism industry who are licensed with the Jamaica Tourist Board based on the number of workers they keep employed who are under the income tax threshold of J\$1.5m. ▶ Provision of direct support to small businesses - all small businesses with sales of J\$50m or less who file taxes in the 2019/20 financial year and who filed payroll returns indicating that they have employees, will be eligible for a one-time Covid small business grant of J\$100,000. ▶ The Government of Jamaica, in the National Budget Presentation on March 10, 2020, also announced certain tax measures that were aimed at stimulating economic growth and countering the anticipated down-size economic impact of the Covid-19 virus. These revenue measures include a reduction in the General Consumption Tax (GCT) rate by 1.5% from 16.5% to 15%. 	<ul style="list-style-type: none"> ▶ Facilitation by Tax Administration Jamaica, of one-off or single use Tax Compliance Certificates to businesses who may fall into non-compliance over the period to 30 June 2020. ▶ The Government of Jamaica' s March 2020 National Budget Presentation also announced the following revenue measures: <ul style="list-style-type: none"> ▶ A reduction in the assets tax payable by financial institutions by 50% from 0.25% to 0.125%. However, the banking sector subsequently volunteered to forgo the asset tax reduction for one year. Therefore the 0.25% rate will continue to apply for income year 2021. ▶ Easing of 50% of regulatory fees payable to certain public institutions. ▶ Introduction of a tax credit of J\$375,000 for companies with annual revenue/sales equal to or less than J\$500 million. 	

Overview

- ▶ On 27 February 2020, in light of Covid-19, the National Tax Agency of Japan announced individual income tax and gift tax return extensions, and delayed individual consumption tax filing deadlines and payments.

Personal tax

- ▶ The deadline for the submission of individual income tax and gift tax returns for 2019 is extended for one month to 16 April 2020 from 16 March 2020.

VAT, GST and trade

- ▶ The filing deadlines for individual consumption tax returns and payments are delayed by a half month until 16 April 2020.

Business tax

Links and resources

Overview	Personal tax	VAT, GST and trade	Links and resources
<ul style="list-style-type: none"> ▶ Deferral of the general and special sales tax payments' due date. ▶ Voluntary deferral of certain components of the social security contribution. ▶ Changes to customs and import procedures. ▶ To ease cash flow constraints, a mechanism has been put in place by the Jordanian Council of Ministers to help with expediting the settlement of companies' open appeals with respect to disputed income tax, sales tax, and customs duty assessments. ▶ All court proceedings against social security defaulters have been suspended. ▶ The validity of trade licenses of all businesses in Jordan has been extended to 1 June 2020. 		<ul style="list-style-type: none"> ▶ The payment of the general and special sales tax applicable to the sale of goods and/or services generally becomes due at different periods depending on the type of the sale. For the sale of services, the payment of the general and/or special sales tax is due at the earlier of the invoice date or payment date. For the sale of goods, the general and/or special sales tax is due at the earlier of the invoice date, payment date, or date of receipt of the goods. ▶ Effective 1 March 2020 and until further notice, the general and special sales tax payment deadline has been changed to become due when the payment for the good or service is actually made. The adjustment in the due date is applicable to all local sectors and foreign health, pharmaceutical, and food supply sectors. ▶ No changes were announced with respect to the general and special sales tax return filing due date. Therefore, businesses are still required to electronically submit their sales tax returns through the Jordanian Income and Sales Tax Department's online portal within 30 days following the end of every two-month period. ▶ Companies listed on the Golden and Silver Importers List of the Jordanian Customs' Department and that have not previously committed any customs violations will be allowed to pay their customs duties in installments, whereby 30% of the amount due may be paid upfront and the remaining 70% may be paid at a later date. Importers looking to apply this mechanism will not be required to submit a bank guarantee to assure that the money will be paid. ▶ Additional measures related to imports and customs include: <ul style="list-style-type: none"> - Easing the regulatory procedures related to the importation of goods, such as those conducted by the Food and Drug Administration and the Standards and Metrology Organization - Decreasing the inspection percentage of goods imported for local use - Limiting the controls related to transit goods - Adjusting the grace period fees and cooling charges due at the Aqaba Port 	<p>EY Materials</p> <p>https://globaltaxnews.ey.com/news/2020-5422-jordan-announces-economic-measures-to-reduce-the-impact-of-covid-19</p>

Overview

On 18 March 2020, the Central Bank of Kenya (CBK) announced a set of measures that commercial banks will undertake to alleviate the Covid-19 impact. The measures will apply to borrowers whose loan repayments were up to date at 2 March 2020:

- ▶ Banks will seek to provide relief on personal loans based on individual circumstances arising from the pandemic.
- ▶ Banks will review requests from borrowers for extension of their personal loans for a period of up to one year.
- ▶ SMEs and corporate borrowers can contact their banks for assessment and restructuring of loans based on their respective circumstances.
- ▶ Banks will meet all costs relating to the extension and restructuring of loans.
- ▶ To facilitate increased use of mobile digital platforms, banks will waive all fees for balance inquiries.
- ▶ All charges for transfers between mobile money wallets and bank accounts will be eliminated.

Personal tax

- ▶ Proposed extension of 100% tax relief to persons earning gross monthly income of up to KES24,000. This will provide additional disposable income of approximately KES1,600 per month to the most vulnerable group in the society.
- ▶ Proposed reduction of the highest personal income tax rate (Pay As You Earn) from 30% to 25%.

VAT, GST and trade

- ▶ Proposed reduction of VAT rate from 16% to 14%, effective 1st April 2020.
- ▶ The Kenya Revenue Authority (KRA) to expedite the payment of all verified VAT refund claims amounting to KES 10 Billion within 3 weeks.

Business tax

- ▶ Proposed reduction Company's Income Tax (CIT) from 30% to 25%.
- ▶ Proposed reduction of Turnover Tax from 3% to 1% for all Micro, Small and Medium Enterprises (MSMEs).

Links and resources

Government materials

[WWW.Centralbank.go.ke](http://www.centralbank.go.ke)
President's Speech, 25th March 2020

Overview

- ▶ Emergency measures have been adopted in Kosovo to prevent and limit the spread of Covid-19.
- ▶ The government of Kosovo has declared a “state of public health emergency” and from Monday 23 March, has decided to restrict the movement of citizens as a measure to prevent the spread of Covid-19.

Personal tax

- ▶ So far, no measures are yet public or approved on Personal taxation.
- ▶ Pursuant to Law No.06/L-005 on Immovable Property Tax, Minister of Finance and Transfers Besnik Bislimi issues decision on postponement of issuance of property tax bills, payment of first installment for 2020 and postponement of deadline for filing of complaints on property tax bills and certificates of assessed values.

VAT, GST and trade

- ▶ Customs duty and VAT exemption has been granted to all production business entities or their contractors, who deal with the importation of raw materials, wheat and flour for the production of bread and bread products.

Business tax

- ▶ Extend until April 30, 2020, the deadline for filing tax returns, reports and payments, as well as handling and adjudicating claims for refunds related to the implementation of applicable tax legislation.

Links and resources

Government materials

<https://mf.rks-gov.net/page.aspx?id=2,1>

Overview

- ▶ On 12 March 2020, the Government declared a state of emergency until 14 April in Latvia.
- ▶ On 19 March 2020, the Government examined a draft law on national risk prevention and management measures related to the spread of Covid-19.
- ▶ It aims to identify measures for the prevention and management of state threats and its effects, specific support mechanisms, as well as crisis costs directly related to the financing of Covid-19 containment.
- ▶ On 26 March 2020, the Government approved criteria for receiving an idle benefit and tax holiday for Covid-19 crisis-stricken companies.

Personal tax

- ▶ The taxpayer may not make the specified advance payment of the PIT from the income of economic activity. This condition applies to advance payments starting on 1 January 2020. These payments may be made on a voluntary basis.
- ▶ If the employer of Covid-19 crisis-stricken company does not employ employees or is idle, the idle allowance will be paid to the employee at 75% of the average monthly gross salary for the last six months preceding the emergency or corresponding to the employee's actual declared data over the last 6 months, but not more than EUR 700 per calendar month.
- ▶ The period of idling shall be a period of time from 14 March to 14 May 2020, but not longer than the Government decision on the emergency situation shall be in force.
- ▶ The idle allowance shall not be subject to mandatory contributions from IIT and national social insurance.

VAT, GST and trade

- ▶ The SRS is expected to reimburse the amount of overpaid VAT in the course of tax administration measures within a shorter period (30 days) than the existing VAT Law.
- ▶ The possibility of increasing reserve capital for the national development financial institution Altum is envisaged, allowing crisis-stricken companies to use support instruments such as credit guarantees and loans.
- ▶ In 2020, municipalities have the right to set different deadlines for the payment of real estate tax, transferring it to a later date in the period of 2020.
- ▶ Merchants in sectors affected by the crisis are either exempt from rents or are given a reduction in rents.

Business tax

- ▶ The Covid-19 crisis-stricken company has the right to apply for an extension of the tax period. It may also be requested to grant an extension of the period of time for overdue tax payments for which the period of payment has been extended, if the time-limit has been delayed as a result of Covid-19.
- ▶ The Government has approved criteria for receiving an idle benefit and tax holiday for Covid-19 crisis-stricken companies, which can qualify for idle benefit and tax holidays for up to three years. The company shall qualify if the company's revenue from economic activity in March or April 2020, compared to the relevant month of 2019:
 - ▶ has decreased by at least 30%
 - ▶ or has decreased by 20%, if the company meet at least one of the following: (1) in 2019, the export volume of the company accounts for 10% of the total turnover or is not less than EUR 500 000; (2) the average monthly gross wages paid by the company in 2019 shall be not less than EUR 800; (3) the long-term investment in fixed assets on 31 December 2019 is at least EUR 500 000.
- ▶ A taxpayer shall submit a reasoned application not later than two months after the date of payment period or the coming into force of this Law (other deadlines are applicable for idle allowance).
- ▶ The tax administration has the right to split in time periods or to defer for a period of up to three years, counting from the date of submission of the application, the payment of overdue tax payments. For the overdue tax payment for which the extension of the tax period has been granted, the overdue payment shall not be calculated.
- ▶ The subjects of the Annual Reporting and Consolidated Years Review Law, as well as associations, foundations and religious organizations will be entitled to submit the annual accounts prepared for 2019 (as well as consolidated annual accounts, if any, to be prepared) later than the time period specified in regulatory enactments (three or four months respectively).

Links and resources**Government materials**

- ▶ <http://tap.mk.gov.lv/lv/mk/tap/?pid=40485176&mode=mk&date=2020-03-19>
- ▶ <http://tap.mk.gov.lv/lv/mk/tap/?dateFrom=2019-03-24&dateTo=2020-03-23&text=COVID-19&org=0&area=0&type=0>
- ▶ <https://mk.gov.lv/lv/aktualitates/valdiba-apstiprina-vienotu-likumu-visiem-pasakumiem-covid-19-izplatibas-ierobezosanai>

Overview

- ▶ Extension of certain tax declaration and payment deadlines.
- ▶ Postponement of the compliance deadlines for all taxes and duties, that are not extended by other decisions, which fall during the period from 1 March 2020 until the date on which the Council of Ministers decides to seize the general mobilization decision.
- ▶ Submission of the taxpayers compliance documentation to different tax departments by email communication.

Personal tax

- ▶ On 11 March 2020, the Ministry of Finance issued a Decision related to the submission of the taxpayers' compliance documentation to different tax departments by email communication (a list of emails were included in this Decision).
- ▶ On 18 March 2020, the Ministry of Finance released a Decision related to the extension of the annual employees' income tax declarations and payment (if any) related to the year 2019 till 31 March 2020.
- ▶ On 22 March 2020, a Decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decides to seize the general mobilization decision.

VAT, GST and trade

- ▶ On 11 March 2020, the Ministry of Finance released a Decision related to the submission of the taxpayers' compliance documentation to the department of Value Added Tax (VAT) by email.
- ▶ On 22 March 2020, a Decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decide to seize the general mobilization decision.

Business tax

- ▶ On 11 March 2020, the Ministry of Finance issued a Decision related to the submission of the taxpayers' compliance documentation to different tax departments by email communication (a list of emails were included in this Decision).
- ▶ On 20 March 2020, a Decision was released by the Ministry of Finance to extend the deadline for submitting FY 2019 annual tax declarations and settling the related taxes for individuals, partnerships and tax-exempted organizations following the accrual basis until 30 April 2020.
- ▶ On 22 March 2020, a Decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decide to seize the general mobilization decision.

Links and resources

Overview

- ▶ The government has announced the lockout of the non food retail business and consumer services which is effective from 16 March, and has been recently extended till 13 April.
- ▶ Along with the lockout the Government has announced a broad 5bn EUR support plan to the economy in relation to Covid-19.
- ▶ Government support will encompass healthcare sector, the businesses directly affected by a lockout as well as the business indirectly affected by a lockout.
- ▶ Support to business will be directed to retention of the workplaces where the government will co-finance salaries of the employees. Other type of support like loans with government guarantee, deferral of tax is part of the package

Personal tax

- ▶ Businesses directly affected by the lockout are relieved from payment of Personal tax until the end of the lockout plus 2 months after it. Alternatively, they may apply to the tax authorities for the interest-free tax loan for longer period. The list of the tax payers which are directly affected by the lockout was published by the tax authorities on 21 March 2020. This list might be updated on the ongoing basis.
- ▶ Other, indirectly affected businesses may apply to the tax authorities for the interest-free tax loan in a simplified manner.
- ▶ The filing deadline of the annual Personal tax return for residents and non-residents and respective payment deadline was postponed from 1 May 2020 to 1 July 2020.

VAT, GST and trade

- ▶ Businesses directly affected by the lockout are relieved from payment of VAT, excise under the same terms as applicable to Personal taxes.
- ▶ Other, indirectly affected businesses may apply to the tax authorities for the tax loan in a simplified manner.
- ▶ The government approved that entities:
 - ▶ importing goods for purposes of fighting COVID since 26 February 2020 (Article 74 of the EC Regulation 1186/2009), are exempt from customs duties.
 - ▶ donating goods to healthcare sector for purposes of fighting COVID since 26 February 2020, may deduct input VAT and no 'private use rule' applies.

Business tax

- ▶ Businesses directly affected by the lockout are relieved from payment of other taxes under the same terms as applicable to Personal taxes.
- ▶ Other, indirectly affected businesses may apply to the tax authorities for the tax loan in a simplified manner.
- ▶ The companies are reminded that they can change the method of their advance corporate income tax calculation, which may lead to zero advance payments.
- ▶ The term of submitting advance corporate income tax return and payment of this tax was moved from 15th March to 30th March.

Links and resources

Government materials

- ▶ The Lithuanian tax authorities site: www.vmi.lt

EY materials

- ▶ EY tax news portal: www.vedlys.ey.com

Overview

Draft law introducing a special aid regime for small and medium-sized enterprises (SMEs) and extended to large enterprises and self-employed in temporary financial difficulties because of an unforeseeable and unique event of national or international dimension

- ▶ The Luxembourg government transmitted to Parliament on 16 March 2020 (updated by the Council of government on 17 March 2020) a draft law introducing a special aid regime for small and medium-sized enterprises (SMEs) and extended to large enterprises and self-employed in temporary financial difficulties because of an unforeseeable and unique event of national or international dimension.
- ▶ The aid foreseen by the draft law is granted under the form of a recoverable cash advance and is subject to three conditions, being:
 - 1) that an unforeseeable event has officially been recognized by the Council of government as having a detrimental impact on the economic activity of certain enterprises during a given period,
 - 2) that the enterprise faces temporary financial problems, and
 - 3) there is a casual link between these difficulties and the unforeseeable event at stake. The aid can amount up to 50% of the admissible expenses but cannot exceed EUR 500,000.
- ▶ Admissible expenses for calculating the amount of the aid are limited to the loss of income that must be established after a comparative analysis between the result realized during the three previous tax years and the forecast result of the months following the unforeseeable event. For simplification purposes, staff and rental expenses (with rental expenses being capped at EUR 10,000 per month and group of enterprises) are considered as admissible expenses.
- ▶ With respect to self-employed persons, the amended text assimilates to staff costs the income generated by a self-employed activity provided that the self-employed persons are affiliated as such according to the provisions of the Social Security Code with a cap set at 2.5 times the amount of the minimum social wage. Financial aid will have to be reimbursed starting at the earliest 12 months after its payment.

General aid measures:

- ▶ Investments in hygiene may be included in applications for the investment aid (available for SMEs only); Amount of the aid cannot exceed 20 % of eligible costs for small enterprises and 10 % of eligible costs for medium-sized enterprises.
- ▶ Firms with cash-flow difficulties may contact one of the mutual companies for loan guarantees (mutualités de cautionnement) of the two professional associations (Mutualité de Cautionnement and Mutualité des PME), which guarantee part of the amount borrowed from approved credit institutions when the guarantees provided by the contractor prove to be insufficient. This activity, supported by the Directorate-General for SMEs, guarantees the access to financing for SMEs. The Social Security Center announced temporary measures starting as of 1 April 2020, consisting mainly in a suspension of enforcement measures (e.g., no interest computation for late payments, suspension of fines to be imposed on employers with delays in respect of declarations to be made with the Social Security Center,...). In addition, the Social Security Center will pay an advance on monetary compensation for the special leave for family reasons, granted to parents of children staying at home due to the closure of schools or childcare structures.

Overview (continued)

Companies exporting goods and services:

- ▶ The Office du Ducroire continues to support Luxembourg companies in their efforts to prosper at the international level by means of financial support, even if the project is carried out in a country or region affected by the coronavirus. Despite possible extended delivery times and possible cost increases, the costs of transporting exhibition material to such a region remain eligible, under the condition that the exhibition material is returned and not for sale.
- ▶ In the event of the cancellation or postponement of a fair, the promise of aid remains valid and the company is asked to notify, by email, the Office du Ducroire who will make the necessary adjustments. It should be specified that, in such a case, the costs of cancellation (hotels, travel, etc.) are excluded from the costs covered.
- ▶ The Office du Ducroire also continues to provide credit insurance solutions for exports to countries or regions affected by the coronavirus. In addition, the coronavirus has no impact on existing coverages. Eligibility for compensation depends, among others, on the product of coverage and compliance with the compensation requirements.

Direct tax and indirect tax measures for individuals and companies:

- ▶ The Luxembourg government announced a set of tax measures as further detailed:
 - ▶ Direct taxes:
 - 1) Cancellation/reduction of certain tax advances for Q1 & Q2 2020 (upon request);
 - 2) Delay of payment for certain taxes becoming due on or after 1 March 2020 (upon request); and,
 - 3) Extension tax returns filing deadline to 31 June 2020;
 - ▶ Indirect taxes: Reimbursement by the Luxembourg tax authorities of VAT balance below EUR 10,000.

Suspension of the 24 days tolerance rules for cross-border workers between Belgium and Luxembourg

- ▶ Belgian and Luxembourg authorities agreed to suspend the application of the 24 days tolerance rule for cross-boarder workers under the Belgium-Luxembourg double tax treaty as from 14 March 2020.

Suspension of the 29 days tolerance rules for cross-border workers between France and Luxembourg

- ▶ French and Luxembourg authorities agreed to suspend the application of the 29 days tolerance rule for cross-boarder workers under the France-Belgium double tax treaty as from 14 March 2020.

Overview (continued)

Specific measures for companies with respect to shareholders' and board meetings:

- 1) Companies may hold any shareholder meeting without physical presence and require its shareholders and all other participants in the meeting to exercise their rights by a vote in writing or an electronic vote (provided that the full text of the resolutions or decisions to be adopted has been published or has been duly communicated to the participants).
This is to be achieved by appointing a special proxy designated by the company or by video conference or any other communication method allowing the identification of the participants; and,
 - 2) All other bodies of a company may hold their meetings and / or adopt their resolutions by way of written circular resolution or by video conference or any other communication method allowing the identification of the participants.
- ▶ In addition, companies are allowed to convene their annual general meeting (regardless of any contrary provision in their articles of association) at the later of the following dates: (i) any date within six months following the date of closing of the financial year or (ii) any date before 30 June 2020.

Specific measures relating to social security

- ▶ The Social Security Center announced temporary measures starting as of 1 April 2020, consisting mainly in a suspension of enforcement measures (e.g., no interest computation for late payments, suspension of fines to be imposed on employers with delays in respect of declarations to be made with the Social Security Center). In addition, the Social Security Center will pay an advance on monetary compensation for the special leave for family reasons, granted to parents of children staying at home due to the closure of schools or childcare structures.

Suspension of the time limits in jurisdictional matters (in particular to introduce an appeal in matters of administrative litigation) and the adaptations of certain other procedural modalities

- ▶ The Government adopted on 25 March 2020 a Grand-Ducal regulation suspending the time limits in jurisdictional matters and the adaptations of certain other procedural modalities.
- ▶ In particular, the Grand-Ducal regulation provides for the suspension of the fixed time limits to introduce an appeal in matters of administrative litigation, e.g., the 3-months period to introduce a formal appeal against a tax assessment issued by the Luxembourg tax authorities for a Luxembourg taxpayer as such as the 2-months deadline to appeal against a court decision are suspended.
- ▶ The Grand-Ducal regulation also provides for the suspension of the procedural deadlines in bankruptcy proceedings, e.g., the 1-month period within which the admission of bankruptcy must be made is suspended.

Extension of the filing deadline for the publication to the RCS of the standalone and consolidated annual accounts

- ▶ The Luxembourg government introduces two draft laws aiming to extend the deadline for the publication to the RCS of the standalone and consolidated annual accounts (and their related reports) by 3 months for companies which had to publish their annual accounts after 18 March 2020 and which had their financial year ("FY") ending at the latest on the last day of the *état de crise*. For a company having FY end on 31 December 2019, the deadlines for the publications are thus:
- ▶ 31 October 2020 for the standalone annual accounts; and,
 - ▶ 31 November 2020 for the consolidated annual accounts.

Personal tax

Direct tax and indirect tax measures for individuals:

- ▶ 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; and,
- ▶ 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 extended to 30 June 2020 as well.

Cross-border workers between Belgium and Luxembourg

- ▶ The Belgian and Luxembourg authorities have agreed that the current coronavirus situation constitutes a case of force majeure for which no days are to be counted under the 24 days rule of tolerance for cross-border workers working outside of the country of exercise of their professional activity provided for by the Protocol final to the Belgium-Luxembourg double tax treaty. As of Saturday 14 March 2020, days during which worker will work remotely from home, in particular to carry out telework, will not be taken into account in the calculation of the 24 days tolerance period.

Cross-border workers between France and Luxembourg

- ▶ The French and Luxembourg authorities have agreed that the current coronavirus situation constitutes a case of force majeure for which no days are to be counted under the 29 days rule of tolerance for cross-border workers working outside of the country of exercise of their professional activity provided for by the Protocol final to the France-Luxembourg double tax treaty. As of Saturday 14 March 2020, days during which worker will work remotely from home, in particular to carry out telework, will not be taken into account in the calculation of the 29 days tolerance period.

VAT, GST and trade

Indirect tax measures:

- ▶ On 18 March 2020, the Indirect Tax Administration announced that due to Covid-19, a possible failure to file VAT returns within the normally applicable deadlines will not be subject to fines. This measure will apply until further notice; and,
- ▶ Starting from the week of Friday 20 March 2020, the indirect tax administration will reimburse VAT credit balances below EUR 10,000

Business tax

Direct tax and indirect tax measures for individuals:

- ▶ 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;
- ▶ 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; and,
- ▶ The deadline for filing the 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 extended to 30 June 2020 as well.

Links and resources

EY materials:

- https://www.ey.com/en_lu/tax/ey-luxembourg-tax-library/luxembourg-announces-tax-and-financial-measures-in-response-to-c;
- <https://www.ey.com/gl/en/services/tax/international-tax/alert--luxembourg-announces-new-provisions-for-shareholders-and-board-meetings-in-response-to-covid-19>;

Government materials:

- https://gouvernement.lu/en/actualites/toutes_actualites/communiqués/2020/03-mars/17-mesures-fiscales-covid19.html;
- <https://guichet.public.lu/en/entreprises/sauvegarde-cessation-activite/sauvegarde-emploi/chomage-partiel-technique/force-majeure.html>;
- https://gouvernement.lu/fr/actualites/toutes_actualites/communiqués/2020/03-mars/16-lux-be-teletravail.html;
- https://gouvernement.lu/fr/actualites/toutes_actualites/communiqués/2020/03-mars/19-travailleurs-transfrontaliers.html;
- https://gouvernement.lu/en/actualites/toutes_actualites/communiqués/2020/03-mars/20-dispositions-reunions.html;
- https://gouvernement.lu/en/actualites/toutes_actualites/communiqués/2020/03-mars/19-cotisations-sociales.html;
- <http://www.aed.public.lu/actualites/2020/03/Covid19Toladmin/index.html>;
- http://mj.public.lu/actualites/2020/03/Suspension_Juridictionnelle/index.html;
- <https://www.chd.lu/wps/portal/public/Accueil/TravailALaChambre/Recherche/RoleDesAffaires?action=doDocpaDetails&id=7540>;
- <https://www.chd.lu/wps/portal/public/Accueil/TravailALaChambre/Recherche/RoleDesAffaires?action=doDocpaDetails&id=7541>;

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none">▶ On 18 March 2020, the President of North Macedonia has declared state of emergency that will remain effective up until 18 April 2020. The Government has still not adopted the economic measures for the business sector as a result of the impact of Covid-9. It is expected that an ordinance for economic measures is adopted on 25 or 26 March.			<ul style="list-style-type: none">▶ Direct financial support of the liquidity of the micro, small and medium-sized companies by the Development Bank of North Macedonia in amount of EUR 5.7 million in form of loans with 0% interest rate. The loans will be with a grace period of 6 (six) months and should be returned in a period of 24 months. No administrative fees for these loans will apply. Each company, depending on the number of employees, can receive from 3 to 30 thousand euros.▶ Postponement of the CIT advance payments - The obligation for advance CIT payments will be postponed for a period of three months (April, May and June 2020) for companies that are performing business activity in the field of tourism, transport, hospitality and others that have been affected by the COVID19.▶ Subventions for social security contributions - Employers that perform business activity in the field of tourism, transport, hospitality sectors and other affected companies, may receive subventions on social security contributions up to 50% per employee (based on the average salary paid in 2019) for April, May and June 2020. Companies that are eligible and will use subventions will have to return the subventions in 2021 in a maximum amount of up to 50% of the realized profit before taxation.▶ Decreasing of the late penalty interest for public debts from 0,03% to 0,015% per day; and▶ Decreasing of the reference interest rate from 2% to 1,75%.▶ Decreasing of the legal penalty interest from 10% to 5% for legal entities and from 8% to 4% for individuals.	

Overview

- ▶ On 27 February 2020, the Malaysian government announced a RM20bn (approx. US\$4.75bn) stimulus package comprising tax and non-tax measures, anchored on three strategies (“First Economic Stimulus Package”):
 - ▶ Strategy 1: Mitigating impact of Covid-19 by easing cashflow, providing assistance to affected individuals, promoting human capital development and stimulating the tourism sector.
 - ▶ Strategy 2: Catalyzing Rakyat-centric (i.e., people-centric) economic growth
 - ▶ Strategy 3: Promoting quality investment
- ▶ On 19 March 2020, Malaysia’s central bank cut its statutory reserve ratio by 100 basis points to 2.00%, releasing RM30 billion (approx. \$6.81 billion) into the banking system
- ▶ On 16 March 2020, the Malaysian government announced a Movement Control Order (MCO) effective 18 March 2020 to 31 March 2020. On 24 March 2020, the Malaysian government announced an extension of the Movement Control Order (MCO) to 14 April 2020 (inclusive).
- ▶ On 24 March 2020, the Central Bank of Malaysia, Bank Negara Malaysia (“BNM”), announced a 6-month moratorium (deferment) on loan repayments for certain loans for individuals and Small and medium-sized enterprises (“SMEs”) from 1 April 2020
- ▶ On 27 March 2020, the Malaysian government announced a second economic stimulus package of RM230bn (approx. US\$52.87bn), representing 17% of the country’s GDP (“Second Economic Stimulus Package”). The objectives of the stimulus package are to:
 - ▶ Protect the welfare and well-being of the Rakyat by addressing the immediate needs and concerns of the Rakyat (People’s welfare)
 - ▶ Support businesses by alleviating cashflow pressures on businesses

Overview

- ▶ Non-tax measures introduced in the First Economic Stimulus Package include:
 - ▶ Employees' minimum Employees Provident Fund (EPF) contributions will be reduced by 4% from 11% to 7%, with effect from 1 April 2020 to 31 December 2020
 - ▶ Accelerated public sector investments in the National Fiberisation and Connectivity Plan and opening of bid quotas for 1,400 MW of solar power generation.
 - ▶ RM100m allocation to the Human Resources Development Fund (HRDF) for grants to train and upskill affected employees
 - ▶ RM500m allocation for travel vouchers, grants and tourism promotion
 - ▶ RM2bn allocated to federal, state and local governments for small infrastructure repair, maintenance and upgrading projects
- ▶ Non-tax measures introduced in the Second Economic Stimulus Package include:
 - ▶ People measures:
 - ▶ Health, insurance and utilities support from private sector: COVID-19 screening by private hospitals; deferment of insurance premium contributions for 3 months for affected contributors; and free internet from 1 April 2020 until the end of the MCO period
 - ▶ Special allowances and disbursements for certain categories of public servants and medical personnel; cash disbursements for certain groups (B40 and M40 household income group, students, e-hailing drivers)
 - ▶ RM25m allocation for food and shelter for the people in need (e.g. senior citizens, children in shelter homes, disabled persons, homeless, etc.)
 - ▶ Government to fund the cost of employee salaries of certain categories of private sector service contractors who provide services to the government (e.g. cleaning services and supply of cooked food)
 - ▶ Business measures:
 - ▶ Options of deferment, restructuring or rescheduling of Employees Provident Fund payments for employers; exemptions from contributions to the HRDF; provision of guarantee facilities for loans, wage subsidy for certain eligible businesses; tiered discounts for power utility
 - ▶ SMEs: Increase in Special Relief Facility fund and Micro Credit Scheme and reduction of interest rate on borrowings from the Facility and without collateral for the Scheme; 6 months moratorium on borrowings from certain government agencies (commencing 1 April 2020)
 - ▶ Other measures:
 - ▶ Other allocation: RM1bn (Purchase of medical equipment and services to combat COVID-19); RM1.16bn (food security); RM2bn (public infrastructure)

Personal tax

- ▶ Personal tax relief of up to RM1,000 on domestic tourism expenditures.
- ▶ Two month extended grace period for individuals to electronically file their 2019 income tax returns.
- ▶ Withdrawal of funds from Private Retirement Scheme between April to December 2020 is permitted up to a maximum of RM1,500, without the 8% tax penalty.
- ▶ Contributions and donations (cash and in-kind) to the COVID-19 Fund will be allowed as tax deductions

Business tax

- ▶ Deferment of monthly income tax installment payments for following:
 - ▶ Businesses in the tourism sector (travel agencies, hotel operators and airline companies) : from 1 April 2020 to 30 September 2020
 - ▶ SMEs: from 1 April 2020 to 30 June 2020
- ▶ Businesses with profits impacted by disrupted supply chains and customer patterns will have an earlier window to revise tax estimates
- ▶ Accelerated tax depreciation (capital allowances) on purchases of machinery and equipment as well as information and communications technology from 1 March 2020 to 31 December 2020.
- ▶ Tax deduction for refurbishment and renovation costs: It is proposed that a tax deduction of up to RM300,000 be given on costs for renovating and refurbishing business premises, where such costs are incurred between 1 March 2020 and 31 December 2020.
- ▶ Double deduction for the establishment of regional operations (pre-commencement expenses) by international shipping companies
- ▶ Two month extended grace period for companies to electronically file their 2019 income tax returns (for companies with financial years ending 31 July 2019 to 30 November 2019)
- ▶ Extension of time until 15 May 2020 for CbCR filing and notification for submissions that are due on 31 March 2020 and 30 April 2020
- ▶ Banking institutions: Interest income or profits accrued by the banking institutions during the moratorium period be taxed only when received
- ▶ Contributions and donations (cash and in-kind) to the COVID-19 Fund will be allowed as tax deductions

VAT, GST and trade

- ▶ Import duty and/or sales tax exemption will be granted on the import or domestic purchase of machinery and equipment to be used in port operations.
- ▶ The scope of value-added activities which can be performed within a Licensed Manufacturing Warehouse (LMW) or Free Industrial Zone (FIZ) will be expanded to include Supply Chain Management, Strategic Procurement Operation and Total Support Solutions.
- ▶ The approval process for value-added activities performed by manufacturers with LMW status or located within an FIZ will no longer require approval from the Ministry of Finance/Royal Malaysian Customs Department (RMCD) headquarters; approvals will be given at the RMCD State/Zone level.
- ▶ Operators of hotel premises will be exempted from charging 6% service tax on accommodation and other taxable services within those premises. This exemption also covers the sale of tobacco, alcohol and non-alcoholic beverages in hotel premises, and will take effect from 1 March 2020 to 31 August 2020.
- ▶ Effective 1 April 2020, the conditions for purchase of duty-free goods at international airports will be relaxed as follows:
 - ▶ Reduction of eligibility period for the purchase of duty-free goods from 72 to 48 hours
 - ▶ Increase in the allowable threshold from RM500 to RM1,000 for goods other than those already eligible for tax exemption under specified limits
- ▶ Extension of time until 30 April 2020 for any indirect tax returns that are due on 31 March 2020. Full remission of penalty for these returns that are submitted within the extended period.
- ▶ Exemption from payment of import duty and sales tax on:
 - ▶ Face masks (Effective from 23 March 2020)
 - ▶ Medical equipment, lab equipment, personal protective equipment and consumable products for the purposes of handling COVID-19 which are donated to the Ministry of Health (Effective from 24 March 2020)

Links and resources

EY Materials

[Economic Stimulus Package 2020](#), dated 27 February 2020

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ The Government of Malta has announced a number of measures to support the Maltese economy in response to the COVID-19 outbreak. The collective value of this economic package is of circa €1.81 billion. ▶ The measures include: <ul style="list-style-type: none"> ▶ Up to €900 million in bank guarantees to support the provision of soft loans or temporary moratoriums on personal and business loans. ▶ Various levels of financial aid for employers and the self-employed. ▶ Temporary increases in benefits paid to individuals whose full-time job has been terminated and to persons with disabilities who are unable to work from home. ▶ A cash grant is also available for employers investing in teleworking facilities. 	<ul style="list-style-type: none"> ▶ Provisional tax payments, employee taxes, maternity fund payments and social security contributions due to be paid in March and April 2020 by self-employed persons having suffered a significant downturn in their turnover can be postponed, without the levying of interest or penalties. ▶ These postponed taxes will be settled in four equal monthly instalments in the four month period between May and August 2020. 	<ul style="list-style-type: none"> ▶ VAT due to be paid in March and April 2020 by persons having suffered a significant downturn in their turnover can be postponed, without the levying of interest or penalties. ▶ These postponed VAT will be settled in two equal instalments with the two quarterly returns immediately following the quarter whose dues would have been deferred. 	<ul style="list-style-type: none"> ▶ Provisional tax payments, employee taxes, maternity fund payments and social security contributions due to be paid in March and April 2020 by companies having suffered a significant downturn in their turnover can be postponed, without the levying of interest or penalties. ▶ These postponed taxes will be settled in four equal monthly instalments in the four month period between May and August 2020. 	<p>Government materials</p> <ul style="list-style-type: none"> ▶ COVID-19 Info Page: https://covid19malta.info/ ▶ COVID-19 Fiscal Assistance - Postponement of Payment of Certain Taxes: https://cfr.gov.mt/en/News/Pages/2020/Fiscal-Assistance-Postponement-of-Payment-of-Certain-Taxes.aspx ▶ COVID-19 Business Assistance: http://covid19.maltaenterprise.com/ <p>EY Materials</p> <ul style="list-style-type: none"> ▶ Update 1: https://www.ey.com/en_mt/covid-19-emergency-measures-19-emergency-measures- ▶ Update 2: https://www.ey.com/en_mt/covid-19-emergency-measures-21 ▶ Update 3: https://www.ey.com/en_mt/covid-19-emergency-measures-211 ▶ Update 4: https://www.ey.com/en_mt/covid-19-emergency-measures-2111 ▶ Update 5: https://www.ey.com/en_mt/covid-19-emergency-measures-21111

Overview

- ▶ On March 13, 2020, the Mauritian Ministry of Finance issued a Plan document that aims to support economic operators across all sectors so as to minimize the adverse impact of COVID-19.
- ▶ The Plan has not been formulated into amending law as yet.
- ▶ In addition to other financial support measures, the Monetary Policy Committee of the Bank of Mauritius announced a reduction of 0.5 percentage points in the Key Repo Rate from 3.35% to 2.85% effective March 10 2020.

Personal tax

- ▶ It is proposed that all work permits that will expire this year will be extended automatically up to December 31 2021.

VAT, GST and trade

Business tax

- ▶ It is proposed that enterprises being affected by COVID-19 will be entitled to a double tax deduction on their investment in Plant and Machinery for the period March 1 2020 to June 30 2020.

Links and resources

Government materials

- ▶ http://mof.govmu.org/English/DOCUMENTS/PLAN%20DE%20SOUTIEN_13%20MAR%202020.PDF

Overview

- ▶ The Tax and Federal Courts released an official statement to suspend labor activities in the Court from March 18 until April 19 due to Covid-19 related measures. This also means that the deadlines for the lawsuits will be extended for the same period of time.
- ▶ The President and the Tax Administration Service have confirmed that for the moment, there will be no extension for filing the annual tax return, nor will there be tax incentives.
- ▶ Local incentives for state taxes such as relief or deadline extensions may be available in some States, such as Quintana Roo, Oaxaca and Baja California Sur.

Personal tax

VAT, GST and trade

Business tax

Links and resources

Overview

Personal tax

VAT, GST and trade

Business tax

Links and resources

- ▶ Reduction of the VAT rate for services and food supplied by entities providing hotel and restaurant services

- ▶ Extension of the deadline for submission of annual tax returns
- ▶ Postponement of payments of corporate income tax

Overview

- ▶ Postponement of repayment of loans at the request of citizens and economy for 90 days;
- ▶ Postponement of payment of taxes and contributions on salaries as well as obligations under the Law on Rescheduling of Tax Claims;
- ▶ Creation of a new IRF credit line intended to improve the liquidity of entrepreneurs, micro, small medium-sized and large enterprises up to a maximum amount of EUR 3 million per beneficiary (by a simplified procedure, no approval fee and an interest rate of 1,5%);
- ▶ Postponement of payment of lease of state-owned real estate, also for a period of 90 days;
- ▶ Advance payment of service providers and contractors on started capital projects with the provision of a bank guarantee;

Personal tax

- ▶ The payment of taxes and contributions on salaries is postponed for 90 days

VAT, GST and trade

Business tax

- ▶ FS and CIT return filing extended to 15th of April 2020

Links and resources

Government materials

- ▶ <http://www.gov.me/en/News/223089/Government-adopts-new-economic-measures-Goal-is-to-make-life-easier-for-citizens-and-help-economy-during-coronavirus-pandemic.html>
- ▶ <http://www.poreskauprava.gov.me/vijesti/223115/SAOPsTENJE-Mjere-za-podrsku-privredi-odlaganje-placanja-poreskih-obaveza-po-osnovu-zarada-zaposlenima-i-po-osnovu-reprograma-do.html>
- ▶ <http://www.poreskauprava.gov.me/vijesti/222970/OBAVJESSTENJE-PRODUZEN-ROK-ZA-PODNOsENJE-FINANSIJSKIH-ISKAZA-I-PRIJAVA-POREZA-NA-DOBIT-DO-15-APRILA-2020-GODINE.html>

Overview

- ▶ On 17 March 2020, the Moroccan Central Bank decided to reduce interest rates by 25 basis points to 2%.
- ▶ On 23 March 2020, a decree was issued to put the state of emergency in place until 20 April 2020. All legal deadlines whatsoever have been suspended for approx. 30 days corresponding to the duration of the state of emergency. This should cover any tax deadline, including tax filings, tax procedures, etc.
- ▶ Each employer affiliated to the Social Security Fund (CNSS) is entitled to request an indemnity to be paid to its employees amounted to MAD 2,000 per employee net of tax. For the month of March, the indemnity amounts to MAD 1,000 per employee.

Personal tax

- ▶ Deadline for filing individual income tax returns due before 1 April is extended until the end of the emergency state - practical aspects yet to be confirmed.

VAT, GST and trade

- ▶ Deadline for filing VAT returns due end of March is extended until the end of the emergency state - practical aspects yet to be confirmed as this is supposed to cover only taxpayers encountering difficulties due to the current crisis.

Business tax

- ▶ Deadline for CIT returns due 31 March is extended until the end of the emergency state - practical aspects yet to be confirmed as this is supposed to cover only taxpayers encountering difficulties due to the current crisis.

Links and resources

Overview

- ▶ Temporary deferral of tax payments
- ▶ Reduction of tax and collection interest to 0.01%
- ▶ Amendment of the preliminary tax assessment
- ▶ Temporary Emergency Bridging Measure for Sustained Employment: Temporary measure for employers to stimulate keeping employees employed (NOW)
- ▶ Compensation payment of EUR 4,000 to certain businesses in affected sectors (TOGS).
- ▶ Compensation to self-employed professionals (entrepreneurs) to the social minimum (Tozo). Extension of various credit guarantees schemes (BMKB, GO, BL, Qredits).
- ▶ Additional (flexible) Dutch Customs measures.

Personal tax

- ▶ The Dutch tax authorities will grant extension of payment for 3 months automatically after receiving the request for the payment extension. The extension can be requested for a longer (unlimited) period for which additional information needs to be provided.
- ▶ Reduction of tax and collection interest to 0.01%.
- ▶ For wage tax, the omission penalty for non/late payment will not be imposed or will be waived when the payment extension is requested.
- ▶ The Dutch social security authorities confirmed working from home will not be taken into account for determining the multiple state workers' social security position.
- ▶ When companies received and paid the preliminary tax assessment 2020 (PIT) and lower profits are expected in 2020 companies can amend the preliminary tax assessment and get a refund of the paid taxes.

VAT, GST and trade

VAT

- ▶ The Dutch tax authorities will grant extension of payment for 3 months automatically after receiving the request for the payment extension. The extension can be requested for a(n unlimited) longer period for which additional information needs to be provided.
- ▶ Reduction of tax and collection interest to 0.01%.
- ▶ For VAT, the omission penalty for non/late payment will not be imposed or will be waived when the payment extension is requested.

For excise duty, customs duty and other import taxes:

- ▶ 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.
- ▶ Several measures relaxing the strict customs compliance requirements have been announced to be available on an individual basis.
- ▶ Expanding of the possibilities for export credit insurance. Extension of the Dutch Trade and Investment Fund (DTIF) to include predelivery advances.

Business tax

- ▶ The Dutch tax authorities will grant extension of payment for 3 months automatically after receiving the request for the payment extension. The extension can be requested for a longer (unlimited) period for which additional information needs to be provided.
- ▶ Reduction of tax and collection interest rate to 0.01%.
- ▶ When companies received and paid the preliminary tax assessment 2020 (CIT) and lower profits are expected in 2020, companies can amend the preliminary tax assessment and get a refund of the paid taxes.

Links and resources

Government materials

- ▶ [Government: Dutch government adopts package of new measures designed to save jobs and the economy](#)

EY materials

- ▶ [EY global Tax Alert](#)
- ▶ [Tax Alert tax measures payment extension and reduced tax and collection interest rates](#)
- ▶ [Corona crisis: local and environmental taxes](#)
- ▶ [Mobility: Immigration Alert Netherlands](#)

Overview

- ▶ On 17 March 2020 the Government released its \$12.1b Business Continuity Package. The package represents 4% of New Zealand's GDP, and at the time it was one of the largest packages in the world on a per capita basis and is described by the Minister of Finance as "the largest investment in our lifetimes".
- ▶ In addition to the tax measures, other announced measures will provide financial relief to businesses in the most affected industries, and at-risk employees with a financial safety net through targeted wage subsidies. The Government hopes to support employers to retain staff and workers to self-isolate as required.
- ▶ To qualify for the wage subsidies businesses must be able to show a 30% decline in revenue due to Covid-19, month-on-month for any month between January and June 2020 (compared to last year). Businesses are also expected to approach their banks for financial assistance, in the first instance and use best endeavors to continue to pay subsidized staff at 80% of their wages when possible.
- ▶ Employers eligible to receive the subsidy will receive a lump sum payment of the equivalent of \$585/week for each eligible full-time employee, and \$350/week for part-time employees. The subsidy will be capped at 12 weeks. A prior cap of \$150,000 per employer has now been removed. The sick leave payment scheme also announced at 17 March has now been folded into this scheme. The subsidy amount is not taxable, nor deductible to the business. Amounts paid as wages are subject to usual withholding and reporting requirements.
- ▶ The subsidy will be administered by the Ministry of Social Development (MSD). The same measures will be available for those who are self-employed and working as contractors.
- ▶ The Government has also announced significantly increased funding for the health sector to strengthen health services to fight and contain COVID-19. The overall measures nearly double the current annual spending on core public health services.
- ▶ The Government has subsequently announced \$1.5b in support for the aviation industry; \$600m to various carriers, and \$900m to New Zealand's flagship operator, Air New Zealand.
- ▶ The Government, working with retail banks, has announced that mortgages and business loans will be eligible for repayment Holidays from 26 March 2020 for 6 months. The scheme will include a limit of \$500,000 per loan and will apply to firms with a turnover of between \$250,000 and \$80 million per annum. The loans will be for a maximum of three years and expected to be provided by the banks at competitive, transparent rates. The Government will carry 80% of the credit risk, with the other 20% to be carried by the banks.

Business tax

- ▶ Re-introduction of depreciation on commercial buildings: Depreciation deductions at 2% diminishing value or 1.5% straight line will be reintroduced for new and existing industrial and commercial buildings, including hotels and motels. The impact of these additional deductions will have the effect of reducing the taxes payable for the 2020-21 income year with a reciprocal impact on provisional taxes payable immediately. The cost of this change at \$2.1b represents a significant part of the overall \$12.1b package. There are also deferred tax accounting implications of the reintroduction.
- ▶ UOMI write off: The Government has announced that it will implement a process to remit Use of Money Interest (UOMI) payable on or after 14 February for impacted businesses. The new remission process will be in place for two years. Businesses and individuals will need to show an inability to pay tax by the due date as a result of being significantly adversely affected by the Covid-19 outbreak. Detail on the objective tests is yet to be finalized.
- ▶ Low value assets: The Government has announced changes to increase to \$5,000, the current \$500 low-value asset threshold that allows businesses to deduct upfront the cost of assets purchased rather than having to spread the cost over the life of the asset. The threshold increase applies from 17 March 2020, but will be reduced back to \$1,000 from 17 March 2021.
- ▶ R&D losses to be brought forward: a change to the rules for R&D tax credit refunds to make refundable credits more accessible for businesses. This allows a claim for refundable credits for eligible businesses from the 2019/20 year. (note: the New Zealand tax year runs 1 April to 31 March).

Personal tax

- ▶ Provisional tax relief: The Government has announced an increase in the provisional tax threshold, which determines the requirement to pre-pay taxes, from \$2,500 RIT to \$5,000. The changes will take effect for the 2020/21 income year and is expected to result 95,000 fewer taxpayers needing to pre-pay their taxes.

VAT, GST and trade

- ▶ Taxpayers that have difficulty paying outstanding tax may set up an instalment arrangement or a write-off due to serious hardship. Extensions of filing dates for some income tax returns may be available.
- ▶ Extensions cannot be granted for GST and PAYE returns, but any penalties for late filing may be relieved. Under limited circumstances penalties for late payments incurred due to the effects of the COVID-19 may also be relieved.
- ▶ The law has been clarified that GST does not apply on the wage subsidies discussed
- ▶ In the *Personal tax* tab.

Links and resources

Government materials

<https://www.beehive.govt.nz/release/121-billion-support-new-zealanders-and-business>

Overview

- ▶ The Federal Inland Revenue Service (FIRS) issued a public notice dated 23 March 2020 informing the public of its plan and measures to ensure safety and well-being of its staff, taxpayers, stakeholders and visitors, amidst the Covid-19 pandemic.

Personal tax

VAT, GST and trade

Business tax

The FIRS has granted the following tax filing concessions to businesses:

- ▶ Extension of filing deadlines for Value-Added Tax (VAT) and Withholding Tax (WHT) to the last working day of the month following the month of deduction;
- ▶ Extension of the due date for filing Companies Income Tax (CIT) returns by one month;
- ▶ Submission of CIT returns can be completed without Audited Financial Statements (AFS). However, the AFS must be submitted within two months after the revised due date of filing; and
- ▶ Submission of tax returns can be done via the e-filing platform (for registered taxpayers) or through alternative platforms provided by the various FIRS tax offices.

To encourage online review of taxpayer submissions, information requests for desk reviews and tax audits will be published on FIRS website as needed, and a portal will be created to upload such information on FIRS' database.

Links and resources

Overview

- ▶ Many Norwegian businesses are already heavily affected by the outbreak of the COVID-19 virus, by ways of experiencing liquidity difficulties or losses. In an attempt to address the difficulties, the Norwegian Government has proposed government loan and guarantee schemes as well as temporary changes to the Norwegian direct and indirect tax legislations, labor legislation and rules related to government benefits.
- ▶ In addition, temporal measures were implemented in order to mitigate the employers' costs derived from the work force reduction.
- ▶ Further changes and measures are expected to be proposed in the time to come.

Personal tax

- ▶ Individuals owning shares or a business are subject to net worth tax on their assets. If the company or business is loss-making in 2020, the individual may defer the payment of the wealth tax due in 2021 by one year.
- ▶ The deadline for the first advanced payment of income tax (self-employed persons) corresponding to 2020 was due on 15 March 2020. The deadline has been extended until 1 May 2020. The proposal does not grant an access to claim back any taxes already paid.

VAT, GST and trade

- ▶ The current low VAT rate will be reduced from 12 to 8 %. Reduced rate applicable from 1 April to 31 October 2020.
- ▶ For VAT due for the first VAT term (January/February 2020), the Government has proposed to extend the payment due date from 14 April 2020 to 10 June 2020. The extension will apply for all entities registered in the VAT registry. The VAT filing due date is not extended.
- ▶ Due to the severe financial difficulties in the airline industry, the Government proposes the following temporary measures:
- ▶ Abolish air passenger duties for the period 1 January - 31 October 2020
- ▶ Abolish airport duties until 30 June 2020

Business tax

- ▶ For companies reporting tax losses in the tax year 2020, the Government has proposed that losses can be carried back against taxable profits incurred in 2019 and/or 2018 up to NOK30 million. Hence, companies should take this into consideration when determining the group contributions for the year 2019.
- ▶ For companies, the 2019 corporate income tax liability is due on 15 February 2020 and 15 April 2020. The Government has proposed an extension of the second term due on 15 April 2020 to 1 September 2020. No interest shall accrue due to the extension. For the tax already paid, the Government has not allowed for these payments to be reclaimed.
- ▶ The employer social security rate is temporarily reduced with 4 percentage points.
- ▶ The employer social security payment deadline for 2nd term 2020 (due 15 May 2020) has been extended to 15 August 2020.

Links and resources

EY materials

- ▶ [Norwegian government proposes temporal measures in relation to Covid-19](#)
- ▶ [Responding to Covid-19](#)
- ▶ [Corona virus \(Covid-19\), The most important labor law issues in the Nordic countries](#)

Find the most current version of this tracker on [ey.com](https://www.ey.com)

[Return to jurisdiction list](#)

Overview

- ▶ A stimulus package announced by the central bank of Oman amounting to US\$20 Billion to support the economy.

Personal tax

VAT, GST and trade

Business tax

Links and resources

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>On 24 March, a stimulus package was introduced including:</p> <ul style="list-style-type: none">▶ Extension of the expiry date of all VAT clearance letters▶ All tax cases will be suspended▶ Deferral of collecting the professions practicing license fees during the contingency period▶ New procedures for clearing invoices▶ New procedures for deduction at source certificates and clearance letters		<ul style="list-style-type: none">▶ The Ministry of Finance issued instructions to extend the VAT clearance letters which expires on March 1, 2020 until April 15, 2020.▶ Cases followed up by the VAT court or customs police will be suspended during the contingency period.▶ The Ministry of Finance approved to provide committed tax payers their needs from clearing invoices up to two months and up to three months for large tax payers	<ul style="list-style-type: none">▶ Cases followed up by the income tax appeal court will be suspended during the contingency period.▶ The Ministry of Finance approved to provide committed tax payers their needs from clearing invoices up to two months and up to three months for large tax payers.▶ The Ministry of Finance approved to provide committed tax payers their needs from clearing invoices up to two months and up to three months for large tax payers▶ Issuance of deduction at source certificates for tax payers which is valid for not less than three months and tax clearance letters valid for not less than two months.	

Overview

- ▶ On 13 March 2020 the Cabinet of Ministers of Panama has issued Cabinet Resolution No. 11 of 13 March 2020, which declares a "National State of Emergency."
- ▶ On 20 March 2020, Panama published, in Official Gazette No. 28985-C, Law 134 of March 20, 2020, which extends the tax amnesty from February 29, 2020 to June 30, 2020 because of COVID-19.
- ▶ On 24 March 2020, Panama published, in Official Gazette No. 28987-A, Executive Decree No. 251 of 24 March 2020, which adopted tax measures to relief the economic impact resulting from the State of National Emergency.
- ▶ Forms and reports originally due by 29 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 pricing 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.
- ▶ Suspension of the administrative deadlines of the Ministry of Economy and Finance - General Directorate of Revenue, until the statement of National State of Emergency is lifted.

VAT, GST and trade

- ▶ Extension of the terms for the payment of taxes (including national direct and indirect taxes) that are caused or must be paid during a period declared as a National State of Emergency, until 17 July 2020. This, without entailing fines, interest, surcharges.

Business tax

- ▶ The deadline for the payment of taxes that are incurred or must be paid during the period declared as a State of National Emergency without entailing fines, interest and surcharges is extended for a period of 120 calendar days, that is, until 17 July 2020.
- ▶ Extension of the deadlines to file the income tax return of fiscal period 2019 until 30 May 2020.
- ▶ Taxpayers may determine the estimated tax to be paid in an amount not less than 70% of the tax caused in their statements for the 2019 fiscal period, without said estimate being subject to verification from Tax authorities.
- ▶ Estimated income tax payment term on 30 September and 31 December 2020.
- ▶ One year exemption extension for AMPYME registered companies.
- ▶ Tax amnesty term on interest and penalties guaranteed by Law 99 of 2019 is extended until 30 June 2020. Late payments automatically benefit from the amnesty.
- ▶ Payments derived from Payment Arrangements are extended until 31 December 2020.

Links and resources

Government materials

- ▶ https://www.gacetaoficial.gob.pa/pdfTemp/28979_B/77812.pdf
- ▶ https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf
- ▶ https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf

Overview

- ▶ Decree 3442/2020 "Provides for the implementation of preventive actions against the risk of expansion of the Coronavirus (covid-19) to the National Territory" dated March 9, 2020.
- ▶ Decree No. 3456/2020 "Declaration of a State of Sanitary Emergency throughout the national territory to control compliance with the sanitary measures set forth in the implementation of preventive actions against the risk of expansion of the Coronavirus (COVID-19)" dated March, 16, 2020.
- ▶ Tax Resolutions issued by the Ministry of Finance (SET) establish that, among others: suspension of activities with the public on the taxpayer attention platforms, several applications in SET will be received, analyzed and approved electronically and via call center, presentation of external tax audit opinions is exceptionally extended until November 2020, tax compliance certificates issued from the date until June 30, 2020 will be valid for ninety (90) calendar days.

Personal tax

- ▶ Decree No. 3457/2020 "Establishes an exceptional regime for the payment of personal income tax (IRP) and establish a period of regularization for compliance with Personal tax obligations"

VAT, GST and trade

Business tax

Links and resources

Government materials
<http://www.gacetaoficial.gov.py/index/buscarContenidos>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Declaration of State National Emergency due to the coronavirus spread. It establishes the suspension of various work activities and limited public transportation. All deadlines for tax procedures initiated before March 15, 2020 are suspended for 30 business days beginning March 16, 2020 (Urgent Decree No. 026-2020). ▶ For installment payment plans approved by the Peruvian tax authority before March 15, 2020, taxpayers may pay the March installments in April without the imposition of penalties (Peruvian Tax Authority Resolution No 058-2020/SUNAT). ▶ The Peruvian tax authority will not impose tax penalties at its sole discretion for infractions committed or detected during the national emergency initiated from March 16, 2020 to March 30, 2020 (Peruvian Tax Authority Resolution No 008-2020-SUNAT/700000 	<ul style="list-style-type: none"> ▶ Taxpayers who obtained income up to 5,000 Tax Units (USD 6,000,000 approx.) during fiscal year 2019, have the possibility to postpone the filing of the 2019 annual income tax return and its payment until June and July 2020 (originally, the deadline was late March or early April 2020). (Peruvian Tax Authority Resolution No. 061-2020/SUNAT). ▶ Peruvian Tax Authority will return ex officio the payment in excess of the labor income tax before the previously established date, considering the information it has regarding the use of additional deductions for personal expenses allowed for the annual determination of the labor income tax (Urgent Decree No. 031-2020). 	<ul style="list-style-type: none"> ▶ 0% Customs duties to the importation of certain medicines, medical equipment and devices during the 90 calendar days counted as from March 12, 2020. At the end of that period, the rate will go back to 6%. (Supreme Decree No. 051-2020-EF). 	<ul style="list-style-type: none"> ▶ Taxpayers who obtained income up to 5,000 Tax Units (USD 6,000,000 approx.) during fiscal year 2019, have the possibility to postpone the filing of the following: <ul style="list-style-type: none"> i) The monthly income tax return for the month of February 2020 until the first days of April 2020; ii) The filing of the electronic sales register and the electronic income register and the electronic purchase register for the month of February 2020 until the first days of April 2020; iii) The annual return of operations with third parties until April 7, 2020; iv) The filing of the 2019 annual income tax return and its payment until June and July 2020 (originally, the deadline was late March or early April 2020) (Peruvian Tax Authority Resolutions No. 054-2020/SUNAT, 055-2020/SUNAT and 061-2020/SUNAT). 	<p>Government materials</p> <p>https://busquedas.elperuano.pe/normaslegales/aplican-la-facultad-discrecional-en-la-administracion-de-san-resolucion-n-008-2020-sunat700000-1865065-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/dispone-n-medidas-adicionales-para-favorecer-la-disponibilida-resolucion-n-058-2020sunat-1865067-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/adopta-n-medidas-para-facilitar-el-cumplimiento-de-las-obliga-resolucion-n-055-2020sunat-1865013-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-establece-diversas-medidas-excepcion-decreto-de-urgencia-n-026-2020-1864948-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/modifican-cronograma-de-vencimientos-para-la-declaracion-jur-resolucion-n-054-2020sunat-1864484-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/establecen-tasa-de-derechos-arancelarios-aplicable-a-la-impo-decreto-supremo-n-051-2020-ef-1864933-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/modifican-cronograma-de-vencimientos-para-la-declaracion-jur-resolucion-n-061-2020sunat-1865139-1/</p> <p>https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-dicta-medidas-complementarias-para-r-decreto-de-urgencia-n-031-2020-1865129-1/</p>

Overview

On 16 March 2020, the Philippines announced a Php27.1 billion (US\$542 million) fiscal support package:

- ▶ Providing funds to directly contribute to efforts to stop the spread of COVID-19.
- ▶ Providing wage subsidy/financial support and unemployment benefits to affected businesses and displaced workers.
- ▶ Scholarship programs for the upskilling and reskilling of displaced workers.
- ▶ Programs and projects to support the tourism industry.
- ▶ Loans and a one-year moratorium for small farmers and fisherfolks.
- ▶ Microfinancing special loan package for affected micro entrepreneurs / micro, small and medium enterprises.
- ▶ Ongoing assistance to find new supply sources and non-traditional markets for industries affected by supply chain disruptions.

Additional support mechanisms include:

- ▶ Mobilizing funds from Government Owned and Controlled Corporations to assist airlines and the broader tourism industry.
- ▶ Offering low-interest loans and loan amortization restructuring programs through the Philippines' largest government banks.
- ▶ Granting of temporary regulatory and liquidity relief measures for financial institutions as approved by the Monetary Board.

On March 25, 2020, the following measures were authorized, among others:

- ▶ Ensure the availability of credit through measures such as lowering the effective lending rates of interest and reserve requirements of lending institutions.
- ▶ Require businesses to prioritize and accept contracts for materials and services necessary to respond to the crisis.
- ▶ Authorize alternative working arrangements for employees.
- ▶ Move statutory deadlines and timelines for the filing and submission of any document and the payment of taxes, fees and other charges.
- ▶ 30-day grace period for the payment of all loans.
- ▶ Minimum 30-day grace period for the payment of residential rents.

Personal Tax

- ▶ The filing and payment of BIR Forms 1601C for the months of February and March, and the submission of BIR Forms 1604CF and 2316, due between 20 March 2020 and 15 April 2020, have been extended for 30 calendar days without the imposition of penalties. Taxpayers who are ready to file ahead of the extended deadlines are encouraged to file and pay their taxes using the BIR's electronic filing and payment facilities.

VAT, GST and trade

- ▶ The filing and payment of BIR Forms 2250M and 2550Q (Monthly and Quarterly VAT), due between 20 March 2020 and 15 April 2020, has been extended for 30 calendar days without the imposition of penalties. Taxpayers who are ready to file ahead of the extended deadlines are encouraged to file and pay their taxes using the BIR's electronic filing and payment facilities.
- ▶ Filing of VAT refund applications for the quarter ending 31 March 2020 is extended until 30 April 2020. The 90-day period for the processing of filed VAT refund claims and claims that will be filed from 16 March 2020 to 20 April 2020 is suspended.
- ▶ Tax and duty-free importation of critical health equipment and supplies.

Business tax

- ▶ The filing and payment of tax returns, including the Annual Income Tax Return, due between 20 March 2020 and 15 April 2020, has been extended for 30 calendar days without the imposition of penalties. Taxpayers who are ready to file ahead of the extended deadlines are encouraged to file and pay their taxes using the BIR's electronic filing and payment facilities.
- ▶ 30-day extension from the lifting of the Enhanced Community Quarantine (ECQ) for filing of protest letters etc. on tax audits.
- ▶ Submission of the Certificate of Residence for Tax Treaty Relief (CORTT) Form for withholding tax on dividends, interest and royalties paid on or before 10 March 2020 is extended until 30 April 2020.
- ▶ Extension for filing of applications for tax amnesty on delinquencies until 23 May 2020.
- ▶ Suspension of the running of the statute of limitations for assessment and collection of taxes starting on 16 March 2020 until the lifting of the state of national emergency and for 60 days thereafter.

Links and resources

Government materials

- ▶ [Government economic team rolls out P27.1b package](#)
- ▶ [RMC No. 27-2020](#)
- ▶ [RMC No. 28-2020](#)
- ▶ [RMC No. 29-2020](#)
- ▶ [BSP No. M-2020-008](#)
- ▶ [Statement of BSP Governor on the Regulatory Relief for Banks](#)
- ▶ [Republic Act No. 11469](#)
- ▶ [RMC No. 30-2020](#)
- ▶ [RMC NO. 31-2020](#)
- ▶ [RMC NO. 32-2020](#)
- ▶ [RMC No. 33-2020](#)
- ▶ [RR No. 05-2020](#)
- ▶ [RMC No. 34-2020](#)

Overview

Personal tax

- ▶ Guarantee support, interest subsidies on loans exempt from PIT.
- ▶ Deduction of donations for the fight against COVID-19 from the tax base.
- ▶ Extension of deadline for advance payments of PIT for March and April 2020.
- ▶ Income Tax on Buildings - Tax payment deadline postponed
- ▶ The option of abandoning the simplified form of PIT advance payments for March-December 2020.
- ▶ The parking benefit received under the Covid-19 Act is exempt from income tax.

VAT/GST and trade

- ▶ Perpetual usufruct (“użytkowanie wieczyste”) fee - payment date: 30 June 2020.
- ▶ Real Estate Tax - The commune council may by resolution introduce an exemption from RET for part of 2020.
- ▶ PCC (Tax on Civil Law Transactions) - exemption from PCC for loans concluded until August 31, 2020.
- ▶ Accommodation and meals (special circumstances) exempt from PIT and are not included in the basis for calculating contributions due on salaries.
- ▶ Temporary residence, if it expires during an emergency/epidemic, is extended to 30th day after the date of cancellation.
- ▶ Elimination of the extension fee (Article 57 OP) in decisions to postpone tax payment / payment in installments, deferment or payment in installments of tax arrears with interest (67a).

Business tax

- ▶ Possibility to settle current losses with past profits
- ▶ Guarantee support, interest subsidies on loans exempt from CIT.
- ▶ Possibility to deduct donations for the fight against COVID-19 from the tax base
- ▶ Income Tax on Buildings - Tax payment deadline postponed
- ▶ Possibility of resigning from the simplified form of CIT payment for March-December 2020

Links and resources

Overview

The Portuguese Government has announced the creation of the specific credit lines with an overall amount of 3,000m euro, to be made available by Portuguese financial institutions and guaranteed by the State:

- ▶ A specific credit line amounting to 600m euro (of which 270m euro are exclusive to Micro and SMEs) to support companies operating in the food and beverages sector;
- ▶ A specific credit line amounting to 200m euro (of which 75m euro are exclusive to Micro and SMEs) to support companies operating in the tourism sector;
- ▶ A specific credit line amounting to 900m euro (of which 300m euro are exclusive to Micro and SMEs) to support companies operating in the lodging sector;
- ▶ A specific credit line amounting to 1,300m euro (of which 400m euro are exclusive to Micro and SMEs) to support companies operating in the industry sector.

Besides the specific credit lines above, the following existing credit lines are also available: (i) Eur 200m credit line amounting to support treasury shortages of companies in all eligible sectors; and (ii) Eur 60m credit line to Micro companies in the tourism sector, established in the Legislative Order n.º 4/2020.

The maximum credit threshold per company amounts to 1,5m euro with a maturity of 4 years.

Further to the financial and tax measures adopted, the Portuguese Government has introduced measures aiming at:

- ▶ Accelerating the payment and the actual availability of incentives by the State;
- ▶ Eligibility for the application of incentives under the program Portugal 2020 (a program providing a set of incentives for companies operating in various sectors) of expenses incurred with international events canceled due to the virus;

- ▶ Accelerating payments overdue by public entities towards private companies.
- ▶ Last, the President of Portugal has declared the state of emergency, which was already endorsed by Parliament.

On March 24, the Order n.º 121/2020-XXII of the Secretary of State for Tax Affairs has enacted the following measures related to Stamp Duty compliance obligations:

- ▶ Deferral of the entering into force of the Monthly Stamp Duty Declaration to 1 January 2021 onwards;
- ▶ Reinstated the prior regime revoked by the introduction of the Monthly Stamp Duty Declaration for the year of 2020, i.e., filing of the multi-taxes form will include Stamp Duty;
- ▶ Until January 20, 2021, the taxpayer may perform the compensation of the tax that was assessed and paid up to the limit of the following assessments, if after the assessment of the tax to be paid the underlying transaction is cancelled or its tax basis is reduced as a consequence of error or nullity (also applicable to calculation error)
- ▶ Stamp Duty compliance obligations that have arisen from January 2020 until March 2020 may be paid until 20 April 2020, without penalties. From April 2020 onwards, Stamp Duty shall be paid until the 20th day of the next month in relation to the month when the taxable event has occurred.

Overview (continued)

On 26 March, the Decree-Law n.º 10-J/2020 enacted a debt moratorium to protected credits granted by financial institutions to private entities:

- ▶ It is forbidden to revoke, partially or totally, credit lines and loans granted before the enactment of this decree, during the period of time the measures foreseen in this Decree-Law are in force.
- ▶ Deferral, for a period equal to length of time this Decree-Law is in force, for credits which entail capital payment at the end of the contract. This provision also includes interest and collaterals, including those collaterals set in insurance contracts and promissory notes (“títulos de crédito”).
- ▶ Suspension of the partial payment of credits, including capital, rents and interest, for which instalments are due during the time this regime is in force. The provisions of the contract related to the reimbursement plan are automatically modified in order to extend the reimbursements plan in order to, after the period of suspension is over, allow for the reimbursement to take place at a length of time equal to the suspension period.
- ▶ In the case of mortgage loans the said deferral is only possible for loans related to the acquisition of permanent housing.

The measures established above are disregarded as motives to allege breach of contract, regardless of contractual provisions. In order to take advantage from these measures, the beneficiary is required to met the following requirements:

- ▶ Statutory residency and economic activity in Portugal;
- ▶ The beneficiary has met its obligations before the financial institutions and is not involved in insolvency proceedings, i.e., (i) has not defaulted any instalment or (i) instalments are due and not paid;
- ▶ The obligations before the Portuguese Tax Authorities are settled.

Personal tax

On 20 March 2020 a Resolution of the Ministers Council establishing an exceptional and temporary regime for complying with tax obligations, social contributions and granting mutual guarantee, within the scope of COVID-19 was enacted.

In this context, the Government has enacted the Decree-Law n.º 10-F/2020 dated 26 March 2020, based on which it was decided to make the payment of taxes and social contributions more flexible, as well as to determine the suspension, until 30 June 2020, of tax enforcement proceedings in progress.

The payment to the State of personal and corporate withholding taxes, as well as value-added tax, may be fulfilled in one of the following ways:

- ▶ Immediate payment, under general terms,
- ▶ Payment in instalments in three or six monthly instalments without penalties,

However, only companies whose turnover is up to Eur 10m in 2018 or (i) whose economic activity was shut down due to the declaration of the state of emergency or (ii) whose activity started after 1 January 2019, may qualify for these payments.

Social Security:

Measures to support the continuity of employment contracts

Companies facing a business crisis situation (including situations of complete stop of business activity due to interruption of supply chain or cancellation of purchase orders, as well as situations of sudden reduction of at least 40% of turnover when compared with previous FY) are entitled to a financial aid, per employee, aimed to support the payment of wages and the continuity of the employment contracts.

The main features of this regime are the following:

- ▶ Employee remuneration: Employees are entitled to a remuneration corresponding to 2/3 of the employee's gross salary, capped at Eur 1,905 (equivalent to 3 times the national minimum wage).
- ▶ Term: 1 month, extendable for additional months, up to 6 months.

Companies/employers benefitting from the measures above are also entitled to receive an extraordinary financial incentive, per employee, to support the resume of the business activity.

Finally, the Government has announced (i) suspension of the payment date of the Single Social Fee of 20 March, and (ii) reduction of social contributions due in March, April and May with two-thirds of any remaining payment to be paid in either a 3- or 6- month installment plan, starting in the second half of 2020.

Personal tax (continued)

Deferral of Social Security Contributions:

The Decree-Law n.º 10-F/2020 dated 26 March 2020 foresees the deferral of Social Security contributions for employers complying with the following requirements:

- ▶ A total number of employees is less than 50;
- ▶ A total number of employees is between 50 up to 249, if a sudden reduction of least 20% of turnover occurs in March, April and May 2020 compared with same months of 2019. Such reduction should be confirmed by electronic invoices (e-fatura) provided to Portuguese Tax Authorities during the relevant months. For companies conducting business activities for less than 12 months, the reduction of turnover is computed as an average from the start of operational activity and as of today
- ▶ A total number of employees is 250 or more, if the business activity (i) was shut down to enforce a legal provision, or (ii) fits in the aviation or tourist sector provided that a reduction of at least 20% of turnover occurs in March, April and May 2020 compared with same months of 2019. For companies conducting business activities for less than 12 months, the reduction of turnover is computed as an average from the start of operational activity and as of today. As stated above, the evidence of turnover reduction are the electronic invoices submitted to Portuguese Tax Authorities throughout the relevant months. Companies falling under this requirement should also qualify for an additional set of conditions in terms of, inter alia, activity sector (e.g., hospitality or aviation)

Business tax

General tax measures include:

- ▶ Reinforcement of the information available on the utilization of electronic services by the taxpayers in alternative of physical visits to the tax offices;
- ▶ The infection or prophylactic isolation of taxpayers or certified accountants, confirmed by health authorities represents a sufficient condition to justify the incapacity of the taxpayer/company to comply with tax obligations;
- ▶ If treasury shortages do not allow the full settlement of the CIT/PIT due for FY 2019, taxpayers are allowed to request that the tax due is paid by instalments, without having to wait for a tax enforcement procedure (this request is subject to approval by the Minister of Finance).

CIT measures:

On 11 March 2020, the Portuguese Government announced the following measures (foreseen in the Order n.º 104/2020-XXII) mainly related with the deferral of CIT fillings and payment:

- ▶ Deferral of the deadline for the 1st instalment of the Special Payment on Account ("Pagamento Especial por Conta"), when due, from 31 March 2020 to 30 June 2020;
- ▶ Extension of the deadline to file the CIT return ("Modelo 22") regarding FY 2019, from 31 May 2020 to 31 July 2020;
- ▶ Deferral of the deadline for the 1st installments of the Payment on Account ("Pagamento por Conta") and Additional Payment on Account of the CIT ("Pagamento Adicional por Conta"), from 31 July 2020 to 31 August 2020;

For entities whose FY is different from the civil year, it is not known yet how this measures will apply. Nevertheless, further clarifications are expected to be issued soon.

With effects as from 13 March 2020, the judicial holidays regime applies, meaning that court and administrative deadlines are suspended, and only urgent procedures may run. The suspension of the deadlines applies to deadlines for:

- ▶ Court procedures, including judicial courts, administrative and tax courts, constitutional court, arbitration courts, etc.;
- ▶ Procedures before notaries and registry offices;
- ▶ Administrative offence procedures;
- ▶ Administrative and tax procedures, including court appeals, administrative claims and hierarchical appeals and similar procedures.
- ▶ The regime also suspends the status of limitation for the abovementioned procedures. The regime should cease per Decree-Law to be approved by the Portuguese Government declaring the end of the exceptional situation.

The flexible payment of Corporate Income Tax is foreseen under the same terms described on the "Personal tax" tab.

VAT, GST and trade

The filing of VAT returns for the period of February 2020 may be computed based on the data provided in electronic invoices (e-fatura) submitted to Portuguese Tax Authorities, without any additional documents and penalties. However, the proper filing, (i.e., including all the relevant documentation) of the VAT return for the period of February 2020 must occur until July 2020.

In order to benefit from this regime, companies must meet one of the following conditions:

- ▶ Have turnover of up to Eur 10m in FY 2019;
- ▶ Commence of business activities in January 2020;
- ▶ Restarted business activities in January 2020 and with no reported turnover in FY 2019

Links and resources

Government materials

- ▶ Compiled COVID-19 legislation, as available in the Official Gazette
<https://dre.pt/legislacao-covid-19-por-data-de-publicacao>
- ▶ Government website dedicated to COVID-19
<https://covid19estamoson.gov.pt/>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ On 12 March 2020, the Governor of Puerto Rico (PR) declared a state of emergency in response to the impact of Covid-19. Subsequently, on March 15, 2020, the Governor issued an executive order establishing additional measures to prevent the spread of COVID 19 in PR. ▶ The executive order mandates a lockdown of basically all non-essential governmental services and functions, as well as of businesses in general with certain exceptions. Businesses dedicated among other, to retail food sale (only by drive-thru, carry out or deliver), pharma drugs or medical equipment, pharmacies, gas stations, supermarkets, financial institutions. The lockdown is effective starting March 15, 2020 at 6pm through March 30, 2020 	<ul style="list-style-type: none"> ▶ Puerto Rico Treasury Department (PRTD) announced the extension of the filing of the Puerto Rico Individual Income Tax Return from April 15 to May 15. ▶ Additional extension was announced on March 23, 2020 by the PR Governor, through July 15. Pending official guidance from the PRTD for further details. 	<ul style="list-style-type: none"> ▶ PRTD announced in Administrative Determination (AD) 20-05 the extension of the monthly Sales and Use tax (SUT) returns that are due between March 15 and 31 for one month. ▶ The February monthly state and municipal SUT returns that would be due on March 20 are extended through April 20. ▶ Tax on Imports Monthly Return due on April 10th is extended for one month. ▶ SUT bi-monthly payment due on March 16 and March 31 are not extended but no penalty would be assessed if balance is paid with monthly SUT return by April 20. ▶ Additional extension for the bi-monthly payment was announced on March 23, 2020 by PR Governor. Pending guidance from PRTD for further details. ▶ Internal revenue licenses - notice of alert about risk of suspension of license and imposition of penalties in cases businesses do not comply with lockdown rules decreed by the Puerto Rico Governor. ▶ PR Department of State: Annual Report & Annual fee extended until 15 May. ▶ Director of Finance Municipalities: Municipal license tax payment extended until 22 May 2020. 	<ul style="list-style-type: none"> ▶ The Puerto Rico Treasury Department (PRTD) announced in AD 20-05 a one-month extension for the filing of returns that are due between March 15 and April 15*. ▶ PR Income Tax Return for Pass-through entities that is generally due on March 15 is extended through April 15. ▶ PR Corporate Income Tax Return that is generally due on April 15 is extended through May 15. ▶ All other taxpayers with a fiscal year end, tax return or extension due in March 15 is extended through April 15. ▶ Estimated tax payments due in March are extended to April 15. ▶ Estimated tax payments due in April 15 are extended to May 15. ▶ Informative returns originally due on February 28 (and previously extended through March 31) are extended further until April 15. 	<p>Government materials</p> <ul style="list-style-type: none"> ▶ http://www.hacienda.gobierno.pr/sobre-hacienda/publicaciones/area-de-rentas-internas-y-area-de-politica-contributiva/publicaciones-oficiales

* Income tax returns and payments may be postponed further until July 15, 2020 as announced by PR Governor. Furthermore, such extension could impact the above due dates. However, no publication or guidance from the PRTD has been issued at this time yet.

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ The Qatar Government will provide financial and economic incentives to the private sector to the amount of QAR 75 billion. ▶ Government announces injection in the capital markets through Qatar Exchange as a confidence booster to investors in the small and medium enterprises with the amount of QAR10 billion. ▶ Exemptions in payment of customs duties for imports in the Food and Medical Industries for 6 months. ▶ Rental holidays for Warehousing and Logistics Companies for 6 months. ▶ Select sectors exempted from paying electricity and water charges for 6 months. These include hospitality, tourism and logistic sectors. ▶ Qatar Development Bank announces postponement of loan installments for 6 months. ▶ The government announced two months extension to tax filing deadline. ▶ On 29 March 2020, the government allocated QAR 3 billion as loan guarantees to local banks as a part of the overall soft loan package in order to support businesses in Qatar. ▶ On 30 March 2020, a notice was issued by the Director of Tax of the Qatar Financial Centre (QFC) to update the rates for calculating the late payment charges in respect of tax paid late and the compensation for overpaid tax. 			<ul style="list-style-type: none"> ▶ The GTA (General Tax Authority) issued a circular to extend the deadline of filing tax returns for the State Income Tax Regime with 2 months from 30 April until 30 June 2020. ▶ QFC notice was issued to reduce the interest rate on the tax due late payment from five percent (5%) to zero percent (0 %) on tax due from 1 March 2020 until 31 August 2020. The rate will revert to 5% from 1 September 2020 until further notice. ▶ QFC notice was issued to reduce the interest rate on repayment of overpaid tax from one percent (1%) to zero percent (0%) from 1 March 2020 until 31 August 2020. The rate will revert to 1% from 1 September 2020 until further notice. 	

Overview

- ▶ **Payment of tax obligations:** No late payment interest and penalties will be computed for tax obligations due after the date of entry into force of GEO 29/21.03.2020 for the period ending 30 days after the termination of the state of emergency (i.e., currently 16 May 2020). This period shall be reviewed if the state of emergency is extended. These tax obligations will not be considered overdue. Thus, it is understood that tax clearance certificates without any outstanding liabilities may still be obtained for participating in auctions. However, the deadline for submission of tax returns has not been postponed.
- ▶ **Suspension of forced execution:** Forced execution for budgetary receivables by garnishment, other than forced executions that are applied for the recovery of the budgetary receivables established by court decisions in criminal matters, arising from the commitment of offenses will be suspended or will not be started. No additional procedures are required from the tax authorities.
- ▶ **Beneficial owner statement:** The deadline for submission of the beneficial owner statement will be extended for 3 months after the termination of the state of emergency. During the state of emergency, requirements for submission of the statement are suspended.
- ▶ **Postponement of payment of utilities and rent:** Small and medium-sized enterprises (SMEs) that interrupted wholly or partially their business activity based on the decisions of the public authorities during the state of emergency and that hold a state of emergency certificate issued by the Ministry of Economy, Energy and Business Environment, will benefit from deferred payment for utility services - electricity, natural gas, water, telephone and internet services - and deferred payment of rent for the building used as a registered office and/or secondary office.
- ▶ **Invoking force majeure clause:** In the case of the contracts concluded by SMEs, other than for utilities or renting of spaces, the force majeure clause can be invoked only after demonstrating an attempt to renegotiate the contractual clauses taking into account the exceptional conditions generated by the state of emergency. With respect to commercial contracts concluded by SMEs, as well as with respect to other contracts, it is important to analyze to what extent the Covid-19 pandemic can be considered a force majeure situation such that this clause can be invoked, taking into account the particularities of each case.
- ▶ **Public authority contracts:** During the state of emergency the penalties provided for in contracts concluded by SMEs with the public authorities will not be due.
- ▶ **Granting guarantees for SME loans:** Through the program for supporting SMEs, IMM INVEST ROMANIA, state guarantees can be granted in favor of each beneficiary participating in the program for one or more loans for investments in / financing of working capital.

For SMEs, the value of a guarantee can represent a maximum of 80% of the financing value, excluding interest, commissions and bank charges related to the credit guaranteed. The maximum value of the state-guaranteed financing that can be granted to a beneficiary for investments is RON 10,000,000, and for financing the working capital cannot exceed the average of the expenses related to the working capital in the last two fiscal years and are subject to a cap of RON 5,000,000.

At the same time, guarantees can be granted for loans for financing of working capital, up to a maximum of 90% of the value of the financing, excluding interests, commissions and bank charges related to the credit guaranteed, subject to a cap of RON 500,000 for micro-enterprises (which are maximum RON 1,000,000 sized enterprises).

- ▶ **Suspension of certain payments due under credit and leasing agreements:** Debtors (both individuals and certain categories of professionals and legal entities, except for credit institutions) may request creditors, by 14 May 2020, to suspend credit instalments, interests and fees due under credit and leasing agreements concluded before 30 March 2020. The suspension period may vary between one month and nine months, but it will not extend past 31 December 2020. Interest on outstanding amounts is capitalized in the credit balance as of the end of the suspension period, except for retail mortgage loans, where the ancillary interest for the suspension period represents a distinct and independent claim (guaranteed by the Romanian state). The creditors (banks, non-banking financial institutions and their foreign branches operating in Romania) will review such requests in accordance with the conditions provided by the new emergency ordinance and the implementing rules that will be adopted - for example, loans must not be accelerated, any arrears must be paid before the request for suspension, and the debtors' income must have been directly or indirectly affected by the current situation - for debtors that are not individuals, this may be evidenced by emergency certificates issued by the competent authorities.

Personal tax

- ▶ **Technical unemployment:** During the state of emergency, the technical unemployment allowances can be reimbursed from the unemployment social security budget, up to 75% of the average gross salary (RON 5,429), for employers who reduce or cease temporary their business activity, totally or partially. The allowance to be paid by the employer should be at the level of 75% of the base salary corresponding to the work place and will be subject to salary taxes.

Refund files are submitted in the current month, for payment of the previous month's indemnity. Payment from the unemployment insurance budget of the technical unemployment benefits will be made within 15 days from the submission of the documents. At the same time, the payment of the allowance to the employees will be done within a maximum of 3 working days after the employer receives the amounts.

This allowance of up to 75% of the gross average wage, supported by the consolidated state budget, can also be granted to sportsmen, coaches, referees and generally persons who contribute to sports activities. These allowances are subject to income tax and social contributions.

Other types of employers than those mentioned above (e.g., foundations, NGOs) also will benefit from this allowance for employees with an employment contract.

Other professionals regulated by the Civil code that are not employers or individuals and that have other types of contracts provided by the law, as well as individuals earning solely income from property rights, that cease their business activity totally or partially during the state of emergency will benefit from an indemnity equal to 75% of the average gross national salary for the year 2020 (i.e., RON 5429). The indemnity will be subject to income tax, social security contribution and health fund contribution.

- ▶ **Granting free days to parents:** Parents can be granted free days for the supervision of children, in the situation of temporary closure of the educational units, for all working days during the state of emergency, except for the days during the school holidays (e.g., spring school holidays from 5 to 21 April 2020). For each free day granted, parents will receive an allowance of 75% of their gross monthly salary, but not more than 75% of the average gross monthly salary at the national level. The net indemnities will be reimbursed from the state budget, following the completion of certain procedures.

VAT, GST and trade

- ▶ **Importers of testing kits, medicines and protection equipment related to Covid-19 are no longer required to pay import VAT:** VAT payers that import testing kits for Covid-19, protection equipment and cleaning agents, medical equipment and medicines necessary for treating people who have been infected with the virus will benefit from deferral of payment of the import VAT under the provisions of EO 33/2020. The tariff codes for the products that benefit from the VAT deferral are provided in the appendix to the emergency ordinance. The customs authorities will not ask for payment of the import VAT for such products during the entire duration of the state of emergency through 30 days after its termination. The VAT related to these imports will be booked as both input and output VAT at the end of the taxable period.
- ▶ **VAT refunds:** According to the ANAF statement dated 16 March 2020, it is understood that there is an intention to implement an accelerated VAT refund mechanism. Details regarding this procedure have not been published yet.

Business tax

- ▶ **Discount for early payment of the corporate income tax / micro-enterprise income tax:** Taxpayers that pay the corporate income tax for the first quarter of 2020 by 25 April will receive a discount of 5% (large taxpayers) / 10% (small and medium taxpayers) of the tax due. Taxpayers will pay the corporate income tax remaining after applying the discount. This also applies to taxpayers that use the advance payment system for the corporate income tax.
- ▶ Taxpayers that pay the micro-enterprise income tax for the first quarter of 2020 by 25 April will receive a 10% discount of the income tax due for that quarter.
- ▶ This also applies to taxpayers that have a different fiscal year if the taxpayers pay the tax due for that respective quarter by the due date (if such date falls between 25 April and 25 June 2020).
- ▶ **Local taxes:** The payment term for the building tax, land tax, means of transportation tax, as well as the term for granting the discount related to the advance payment, will be postponed from 31 March 2020 to 30 June 2020.
- ▶ **Corporate income tax advance payments:** Taxpayers that apply the system of declaration and payment of annual corporate income tax with quarterly advance payments for 2020 will be able to make quarterly payments based on the result obtained from the calculation of the current quarterly corporate income tax. This computation method can also be applied by taxpayers that apply a modified fiscal year for the quarters of the calendar year 2020. The option chosen for the methodology of calculating the corporate income tax will remain the same for the entire fiscal year of 2020.

Links and resources

EY materials

<https://www.eyromania.ro/tax-alert/?lang=EN>

Government materials

<https://lege5.ro/MonitorOficial/mongq3danzygiyq/monitorul-oficial-partea-i-nr-230-21-03-2020>

<https://www.mfinante.gov.ro/pagina.html?pagina=acasa>

<http://www.monitoruloficial.ro/?lang=en>

Overview

- ▶ Russia is implementing broad measures to support business activity and alleviate the negative impact of the spread of COVID-19. On 17 March 2020, the Government issued its plan.
- ▶ The Government will form an anti-crisis fund in the amount of 300 billion RUR.
- ▶ More than 23 billion RUR has been transferred to medical industry.
- ▶ It is expected that deferral of credit payments will be adopted soon.
- ▶ There is a temporary suspension on bankruptcy claims for 6 months.
- ▶ The Government has imposed a temporary restriction on the entry of foreign citizens and stateless persons into Russia. Exceptions to these restrictions include, for example: personnel involved in international transportation such as drivers of automotive vehicles and crews of airplanes, sea vessels, and train and locomotive brigades. The restrictions are in force from 18 March until 1 May 2020.
- ▶

Personal tax

- ▶ A 13% personal income tax is imposed on interest derived from deposits/loan securities, if the value of such instruments exceeds 1 million RUB (from 2021)

VAT, GST and trade

- ▶ The Russian Prime Minister instructed expansion of the so-called 'green channel' on certain types of socially significant goods. In practice, this means that customs clearance of such imported goods will be performed faster with no or minimal customs inspections at the border.
- ▶ The Council of the Eurasian Economic Union approved the decision to nullify or reduce import duties on medical products used to prevent and control the spread of COVID-19. A specific list of goods is to be agreed by the Union member-countries.
- ▶ Limitations have been imposed on the export of certain goods.

Business tax

- ▶ A decrease of the social contributions rate from 30% to 15% of payroll applies for small and medium enterprises.
- ▶ The Government is considering a review of some double tax treaties to impose a 15% tax on cash outflows (primarily in the form of dividends and possibly also interest) from Russia

Links and resources

Government materials

- <http://government.ru/en/news/39172/>
- <http://government.ru/en/news/39221/>
- <http://www.eurasiancommission.org/en/nae/news/Pages/16-03-2020-5.aspx>
- <http://government.ru/news/39235/>
- <http://government.ru/orders/selection/401/39230/>
- https://www.nalog.ru/rn77/about_fts/docs_fts/9685945/
- https://ria.ru/20200323/1568997015.html?rcmd_alg=collaboration2&rcmd_id=1568994671
- <https://sozd.duma.gov.ru/download/D1A6A37A-0AAB-40A4-AEA9-49EBC429D942>
- <http://kremlin.ru/events/president/news/63061>

Overview

- ▶ On 20 March 2020, and in consideration of the current global COVID-19 pandemic, the Commissioner General for the Rwanda Revenue Authority issued a public notice highlighting the short-term measures to be implemented in support of taxpayer compliance.

Personal tax

VAT, GST and trade

Business tax

Tax measures adopted include:

- ▶ Extension of the period required for taxpayers to submit their certified annual year 2019 financial statements from 31 March 2020 to 31 May 2020.
- ▶ The deadline for submitting the year 2019 corporate income tax declarations and paying the corresponding tax balance due remains as of 31 March 2020.
- ▶ A one-month suspension of physical comprehensive tax and post clearance audits with effect from 18 March 2020. However, desk audits will not be affected by this suspension.
- ▶ A one-month suspension of the requirement for taxpayers under amicable settlement (alternate dispute resolution) to pay a down payment of 25% of the outstanding tax admissible. This suspension will be effective from 23 March 2020 and will require a taxpayer to submit an online request.

Links and resources

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none">▶ Saudi Arabian Monetary Authority (SAMA) announced the introduction of Private Sector Financing Support Program with a total value of SAR 50 Billion as follows:▶ Supports the Small and Medium Enterprises (SMEs) sector by:<ul style="list-style-type: none">- Deferred Payment Program, where the Government will deposit SAR 30 Billion in banks and financial institutions to delay the dues from the SMEs for a period of 6 months.- Funding for Lending Program, where the Government will provide concessional finance of about SAR 13.2 Billion to the SMEs to support business continuity and sector growth.- Loan Guarantee Program, where the Government will deposit SAR 6 Billion in banks and financial institutions to relieve the SMEs from the burden of KAFLA Program's finance costs.▶ Supports the Point of sale (POS) and e-Commerce service providers by supporting the payment fees of all the stores and entities in the private sector for 3 months, and it amounts to SAR 800 Million.▶ Supports the institutions in Makah and Madina, affected by the precautionary measures, by coordinating with the banks and finance companies to facilitate finance repayments.▶ Zakat, Income Tax and VAT payment and filing obligations delayed by 3 months.		<ul style="list-style-type: none">▶ The deadline for submitting the VAT and excise tax returns and settling due tax is extended by 3 months for returns which fall due between 18 March 2020 to 30 June 2020.▶ Postponement of the payment of due VAT to be paid by registered persons to Customs Authority for imports related to their business activity, while allowing them to pay it through the VAT return of the import period.▶ Postponement of the due Excise tax payments, to be paid by registered persons to Customs Authority for all taxable items that are not subject to tax suspension according to applicable procedures for persons who have obtained a tax warehouse license.	<ul style="list-style-type: none">▶ The deadline for submitting the Zakat returns, Income Tax returns, and Withholding Tax returns: and settling due zakat and tax is extended by 3 months for returns which fall due between 18 March 2020 to 30 June 2020.▶ Fines for late payments of instalments, amendment of declarations, non-cooperation of taxpayers, and examination fines have been suspended until 30 June 2020.▶ The procedure to stop services of taxpayers and seizing funds has been suspended until 30 June 2020.▶ Issuing the Zakat certificates without restrictions for the year 2019.▶ Acceptance of instalment applications without an advance payment until 30 June 2020.▶ Expediting the refund payment requests claimed by taxpayers.▶ Suspension of the special requirements to submit bank guarantee until 30 June 2020.	<p>Government materials</p> <ul style="list-style-type: none">▶ http://www.sama.gov.sa/en-US/News/Pages/news-514.aspx▶ https://gazt.gov.sa/ar/MediaCenter/News/Pages/News_309.aspx

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none">▶ Postponement of repayment of loans at the request of citizens and economy for 90 days;▶ For taxpayers - legal entities, entrepreneurs, as well as agriculturists and individuals, during the state of emergency for the amount of more or less tax paid as well as for tax related payments, except interest, interest shall be calculated and paid at a rate equal to the National Bank of Serbia's annual reference rate which is currently 1.75% (reduced rate)▶ For taxpayers - legal entities, entrepreneurs, as well as agriculturists and individuals who have been granted a deferred payment of tax, the Tax Administration shall not, in cases of non-compliance during the state of emergency, ex officio terminate the decision on postponement of payment of tax and shall not initiate the enforced collection procedure.				<p>Government materials</p> <ul style="list-style-type: none">▶ http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/38/2/reg

Overview

- ▶ On 18 February 2020, against the backdrop of uncertain times and Covid-19 outbreak, Singapore's Deputy Prime Minister and Minister for Finance, Mr. Heng Swee Keat, delivered the 2020 Budget. To deal with the immediate challenges and Covid-19, \$6.4 billion was committed towards the Stabilisation and Support Package, the Care and Support Package, and to support our frontline agencies.
- ▶ The Deputy Prime Minister and Minister for Finance, Mr. Heng Swee Keat, delivered on 26 March 2020 a 2020 Supplementary Budget (known as the Resilience Budget), as both the global economy and COVID-19 outbreak had worsened since the first package was announced.
- ▶ Measures worth over S\$48 billion were introduced in this Resilience Budget which focuses on:
 - ▶ First, save jobs, support workers, and protect livelihoods.
 - ▶ Second, help enterprises overcome immediate challenges.
 - ▶ Third, strengthen economic and social resilience.
- ▶ The Government has sought and obtained the President's in-principle support to draw up to S\$17 billion from Singapore's past reserves to fund the COVID-19 measures.
- ▶ Singapore eased its monetary policy on 30 March 2020. It also announced on 31 March 2020 a package of measures to help individuals and SMEs in need during this period of the Covid-19 pandemic. Further, the Government intends to issue a Covid-19 (Temporary Measures) Bill in Parliament next week to offer temporary relief to individuals and businesses who are unable to fulfil their contractual obligations because of the pandemic.

Personal tax

- ▶ Self-employed persons will be granted an automatic deferment of their income tax payments due in May, June and July 2020. If they are paying by instalments, the income tax deduction will resume in August, September or October 2020 and the end-date of their instalment plan will be extended by three months. For one-time income tax payments due in May, June and July 2020, such payment will be extended by three months.
- ▶ Similar scheme for employees except that it is by way of an option.
- ▶ If taxpayers are facing financial difficulties and need help with their tax payment as a result of the COVID-19 outbreak, they can apply for a longer instalment payment arrangement.

VAT, GST and trade

As no Goods and Services Tax rate increase was announced, the rate will remain at 7% in 2021; it is expected to increase to 9% sometime between 2022 and 2025

Business tax

- ▶ Granting a Corporate Income Tax rebate of 25% of tax payable, capped at S\$15,000 (US\$10,700) for the year of assessment (YA) 2020
- ▶ Automatic extension of interest-free instalments of two months for payment of CIT on Estimated Chargeable Income (ECI)
- ▶ All companies with Corporate Income Tax (CIT) payments due in the months of April, May and June 2020 will be granted an automatic three-month deferment of these payments. The CIT payments that are deferred from April, May and June 2020 will be collected in July, August and September 2020 respectively.

Extended payment is also granted to companies whose CIT payments are due in the months of April, May and June 2020 and are not on instalment arrangement.

Links and resources

EY materials

https://www.ey.com/en_sg/tax/singapore-budget-2020-synopsis

https://www.ey.com/en_sg/tax/tax-alerts/budget-highlights-for-the-c-suite

https://www.ey.com/en_sg/tax/tax-alerts/highlights-of-singapore-s-resilience-budget-2020

Government materials

https://www.singaporebudget.gov.sg/docs/default-source/budget_2020/download/pdf/annexa1

https://www.singaporebudget.gov.sg/docs/default-source/budget_2020/download/pdf/annexb2

https://www.singaporebudget.gov.sg/docs/default-source/budget_2020/download/pdf/annexc1

<https://www.singaporebudget.gov.sg>

https://www.singaporebudget.gov.sg/budget_2020/resilience-budget

Overview

- ▶ Due to the Covid-19 pandemic the Ministry of Finance announced tax liberation measures such as relief of sanctions for late filing of selected tax returns and related tax payments.
- ▶ Alongside tax measures, parliament has approved legislation that interrupts the statute of limitations in private-law relationships.

Personal tax

- ▶ The personal income tax return for 2019 may be filed and related tax paid by 30 June 2020 without a penalty and related late payment sanctions (standard deadline is 31 March 2020).

VAT, GST and trade

- ▶ Financial Directorate assured taxpayers that tax authorities will be lenient in case of delays in VAT submissions or VAT payments, however no legal measure have been approved so far.

Business tax

- ▶ The corporate income tax return for 2019 may be filed and related tax paid by 30 June 2020 without a penalty and related late payment sanctions (standard deadline is 31 March 2020).

Links and resources

Overview

- ▶ Deadline for submission of assessments, extension of deadlines for submission of Corporate Income Tax Returns and annual reports is extended.
- ▶ The tax authorities may allow deferral of tax payments for individuals and legal entities for a maximum of 24 months or payment in 24 instalments for reasons arising from COVID-19 without any (late) interest becoming due.
- ▶ The Government may further amend the proposed deadlines, should the situation regarding COVID-19 escalate further.

Personal tax

- ▶ The law extends the deadline for issuance of informative tax calculation for personal income tax for 2019, until 30 June 2020. The issuance of informative calculations by the Financial Administration of Republic of Slovenia, is thus moved from 31 March 2020 to 31 May 2020.
- ▶ In accordance with the previous paragraph, all those resident taxpayers who will not be served with the 2019 informative tax calculation by 15 July 2020 will have their tax filing deadline moved to 31 August 2020.

VAT, GST and trade

Business tax

- ▶ The deadline for submission of the corporate income tax return and tax return for tax advance payment for income from activity (for 2019), are extended from 31 March 2020 to 31 May 2020.
- ▶ The deadline for submission of annual reports to the Agency of the Republic of Slovenia for Public Legal Records and Related Services (for 2019) is also extended from 31 March 2020 to 31 May 2020.
- ▶ Companies and entrepreneurs may apply for a decrease of advance payments for corporate income tax or professional and business tax when an estimated decrease of revenues in 2020 can be proven.

Links and resources

Government materials

<https://www.gov.si/novice/2020-03-20-drzavni-zbor-sprejel-vladne-predloge-na-davcnem-in-kreditnem-podrocju/>

Overview

- ▶ On 29 March 2020 National Treasury and the South Africa Revenue Services (SARS) published draft explanatory notes on Covid-19 tax measures.
- ▶ The tax measures will be given legal effect through two bills to be tabled later this year for retrospective enactment. These bills are the Disaster Management Tax Relief Bill and the Disaster Management Tax Relief Administration Bill. The draft bills and explanatory memorandums will be published for public comment on the National Treasury and SARS websites by 1 April 2020.

Personal tax

VAT, GST and trade

- ▶ The importation of “essential goods” (as defined in Regulation R.398 in Government Gazette No 43148 of 25 March 2020) will qualify for a VAT exemption on importation during the COVID-19 pandemic.
- ▶ A full rebate of customs is also available where ITAC has approved the rebate for the goods concerned.
- ▶ There are specific requirements to be met in order to qualify for this relief.
- ▶ On 26 March 2020 SARS published Binding General Ruling 52 whereby the following time periods are extended:
 - ▶ To levy VAT at the zero rate on the export of goods, these goods must generally be exported within 90 days of issuing an invoice or receiving any payment, whichever is the earlier. This time period has been extended by three months.
 - ▶ To qualify for a VAT refund from the VAT Refund Administrator, goods must generally be exported within 90 days from the tax invoice and the refund application must be submitted within 90 days from the date of export. This time period has been extended by three months.

Business tax

- ▶ From 1 April 2020 to 31 March 2021, tax-compliant SMMEs will be able to defer a portion of their first and second provisional tax payments.
- ▶ A first provisional tax payment due from 1 April 2020 to 30 September 2020 will be based on 15% of the estimated total tax liability, while a second provisional tax payment due from 1 April 2020 to 31 March 2021 will be based on 65% of the estimated total tax liability.
- ▶ To avoid interest, deferred payments will need to be paid as part of the SMME’s third “top up” provisional tax payment.

Links and resources

Government materials

- ▶ http://www.treasury.gov.za/comm_media/press/2020/20200329%20Media%20statement%20-%20COVID-19%20Tax%20Measures.pdf
- ▶ http://www.treasury.gov.za/comm_media/press/2020/20200329%20Explanatory%20Notes%20on%20COVID%2019%20Tax%20measures%20-%2029%20March%202020.pdf

Overview

- ▶ On 27 February 2020, the Korean National Tax Service announced that it will allow a one-month filing extension for corporate income tax returns for taxpayers located in a specific area, (such as Daegu) due to COVID-19. The normal filing due date is 3 month after the end of fiscal year.
- ▶ Effective as of 23 March 2020, corporate income tax reduction for certain small and medium enterprises located in designated COVID-19 disaster zones (e.g. Daegu) are allowed

Personal tax

- ▶ Increased income tax deductions on individual spending between 1 March - 30 June 2020 to: (i) credit card spending 15% -> 30%, (ii) cash receipts / debit cards 30% -> 60%, (iii) traditional market / public transport 40% -> 80%.

VAT, GST and trade

- ▶ Extension of payment due date of customs duties up to 12 months for companies in designated COVID-19 disaster zones (e.g. Daegu).
- ▶ Simplified VAT taxpayers (with revenue less than KRW 48 million per year) will be exempt from VAT liability until the end of 2020

Business tax

- ▶ The deadline for the submission of corporate tax returns for 2019 is extended for one month to 4 May 2020 for the fiscal year ended 31 December 2019.
- ▶ A one-off corporate income tax reduction (limitation of KRW 200M) for small and medium enterprises located in designated COVID-19 disaster zones (e.g. Daegu). A small enterprise for up to 60%, while medium enterprise for up to 30%

Links and resources

Government materials

- ▶ [National Tax Service](#)
- ▶ [Ministry of Economy and Finance](#)

Overview

- ▶ On 14 March 2020, the Spanish Government issued Royal Decree 463/2020 declaring a State of Alarm (In Spanish, Estado de Alarma) for Spain. The Decree sets forth certain temporary measures that will apply during the current world health crisis. The duration of this State of Alarm as per the Decree is of 15 natural days (the longest this State can be declared as per the Spanish rules), but it can be extended if so approved by the Parliament.
- ▶ Also, on 13 March 2020, the Spanish Government issued Royal-Decree Law 7/2020 providing small and medium-sized companies with a deferral for 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.
- ▶ On 18 March 2020 the Government has published the Royal Decree 465/2020 that modifies Royal Decree 463/2020 and the Royal-Decree Law 8/2020, establishing extraordinary urgent measures to address the economic and social impact of Covid-19 (amongst other, related to liquidity of companies, labor, mortgage repayment schedules, etc.)

Personal tax

- ▶ The term of administrative and court procedures are suspended and deadlines are "interrupted" (including tax and penalty procedures).
- ▶ 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 465/2020 clarifies that deadlines to file periodic returns (as the Personal Income Tax return) are not 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).
- ▶ 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 May 20 for those that start from 17 March.

VAT, GST and trade

- ▶ The term of administrative and court procedures are suspended and deadlines are "interrupted" (including tax and penalty procedures).
- ▶ 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 465/2020 clarifies that deadlines to file periodic returns (such as the VAT returns) are not 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).
- ▶ 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 May 20 for those that start from 17 March.

Business tax

- ▶ The term of administrative and court procedures are suspended and deadlines are “interrupted” (including tax and penalty procedures).
- ▶ 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 465/2020 clarifies that deadlines to file periodic returns (such as the CIT return) are not 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).
- ▶ 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 May 20 for those that start from 17 March.

Links and resources

EY materials

<https://taxnews.ey.com/news/2020-0575-spain-declares-state-of-alarm-immediate-tax-implications>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ On 15 March 2020, the government introduced set of precautionary measures to protect employees and companies from the impact of Covid-19. ▶ On 18 March 2020, the Central Bank of Syria (CBS) issued a decision to suspend requesting cash coverage in Syrian pounds (SYP) for imports, to ensure importing the necessary goods without any delay. The suspension is valid until 25 June 2020. ▶ On 23 March 2020, the Syrian Commission of Financial Markets and Securities issued a decree to extend the disclosure of 2019 financial statements until 23 April 2020. ▶ On 24 March 2020, the Prime Minister issued a decision to limit the trading in Damascus Securities Exchange (DSE) to one day per week. ▶ On 26 March 2020, the Central Bank of Syria (CBS) issued decision No. 592 to unify the exchange rate of the Banking and Exchange Bulletin issued by CBS, which is currently 700 Syrian pounds per US dollar to all transactions in foreign currency, except for imports of basic commodities according to the contracts concluded with both the Syrian Trade Company and the General Foreign Trade Corporation which is still using the exchange rate of 438 Syrian pounds per US dollar. ▶ On 26 March 2020, the Monetary and Credit Board issued decision No. 25 which allows operating banks and after studying the cash flows for clients affected by the consequences of the spread of Covid-19, to postpone all installments due to customers for a period of 3 months and for one time, without affecting the customer's credit rating and without any interests or penalties. 			<ul style="list-style-type: none"> ▶ On 23 March 2020, the Minister of Finance issued a decision which grants taxpayers, with deadline that will expires on 31 March 2020, with an additional period of 60 days to be ended on 30 May 2020 	<p>Government materials</p> <p>http://www.dse.sy/news/view/4461</p>

Overview

- ▶ The Government has introduced a set of measures to mitigate the economic effects of Covid-19.
- ▶ Generally, some tax payments may be postponed and in some cases even repaid. Further, the State will pay up till 50% of fixed rental costs for certain industries particularly affected by the economic effects of Covid-19..
- ▶ To avoid layoffs as an effect of the general downturn in demand, new rules on short-time work with state aid have been proposed and introduced. The proposal allows for the employer's salary costs to be reduced by half, while the employee receives more than 90 percent of his or her salary. The new regulations will enter into force on April 7, 2020, but will have retroactive effect from March 16, 2020.
- ▶ Cashflow support is granted in different ways. For instance, the State takes 70% of the risks on new credit facilities to companies.
- ▶ Employers compensation for sick leave will temporarily be taken by the state. And employers compensation to employees' during the first fourteen days of sickness absence will be paid by the government. This will have effect during April and May.
- ▶ Normally, the first day of a sick leave is a so-called qualifying day and does not entitle to "sick pay", i.e. compensation for the employee. This qualifying day is removed, and sick pay thereby granted from the first day of a sick period. This will apply for the period 11 March - 31 May 2020.

Personal tax

- ▶ Tax returns for individuals that are prepared by accounting or book keeping firms may be filed later than usually, i.e. June 15 instead of May 15.
- ▶ For individuals commuting between Sweden and Denmark, the new restrictions due to Covid-19 will not lead to a change in social security coverage according to an agreement between the States respective responsible authorities.
- ▶ Self-employed individuals and partners in partnerships may have preliminary taxes paid in 2019 repaid.

VAT, GST and trade

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 April 7, 2020, but to have retroactive effect from January 1, 2020, meaning that taxes already paid may be reclaimed.

Business tax

- ▶ Several proposals are under way, one of which is the possibility to postpone payment of indirect taxes, social security contributions and taxes withheld from employee salaries.
- ▶ Social security contributions on salary payments are reduced during March-June 2020. The reduction is capped to the first 30 employees of the company.

Links and resources

Government materials

<https://www.government.se/government-policy/the-governments-work-in-response-to-the-virus-responsible-for-covid-19/>

<https://www.government.se/press-releases/2020/03/additional-amending-budget-due-to-the-coronavirus/>

EY materials

<https://skattenatet.ey.se/2020/03/16/cashflow-support-through-postponed-tax-payments-due-to-corona-pandemic/>

<https://skattenatet.ey.se/2020/03/17/new-rules-on-short-time-work/>

[Corona virus \(Covid-19\), The most important labor law issues in the Nordic countries](#)

[Responding to Covid-19](#)

Overview (continued)

Liquidity assistance for SMEs

On 25 March 2020, the Federal Council addressed the issue of liquidity assistance for SMEs. Companies are advised to apply for the credit facilities at their main bank. Facilities will be secured by the Confederation. The ordinance now adopted by the Federal Council includes a bridging program worth CHF 20bn for liquidity shortfalls. The corresponding ordinance enters into force on 26 March 2020, from which date credit applications can be submitted.

- ▶ Credits of up to CHF 0.5m will be fully secured by the Confederation, and will be paid out quickly and with the minimum of bureaucracy. Zero interest will be charged. The credit application form will be available on <https://covid19.easygov.swiss/> from Thursday, after the ordinance enters into force.
- ▶ Bridging credits that exceed CHF 0.5m will be secured by the Confederation to 85% of their value; the lending bank will secure the remaining 15%. Each company can obtain a credit of this type for up to CHF 20m, which means a more rigorous bank review will be required. The interest rate on these credits is currently 0.5% on the loan secured by the Confederation. Companies with a turnover of more than CHF 500m are not covered by this program.
- ▶ It is now possible for PostFinance to provide its business clients with unbureaucratic access to credit facilities of up to CHF 0.5m. This does not exempt PostFinance from the ban on providing credit facilities, rather it is a temporary measure.

For further details regarding the measures, refer to the update on 20 March 2020 below

Measures regarding compulsory job registration, unemployment insurance, short-time working compensation and occupational pensions

On 25 March 2020, the Federal Council adopted further measures regarding compulsory job registration, unemployment insurance, short-time working compensation and occupational pensions. The new measures will lead to estimated additional costs for unemployment insurance of around **CHF 600m per month**.

The new measures are designed in particular to reduce the administrative burden on both the applicants and the cantonal implementing bodies.

- ▶ The obligation to register a job and all associated tasks and obligations for employers and public employment services will be temporarily suspended. This will facilitate the recruitment processes, e.g. for medical personnel, the pharmaceutical industry, agriculture or logistics.
- ▶ The first consultation and control meeting after registration with the municipality of residence or the RAV (unemployment agency) is temporarily held by telephone and within 30 days of registration.
- ▶ In order to avoid tax evasion, all eligible persons will receive a maximum of 120 additional daily allowances.
- ▶ The framework period for the receipt of benefits is extended by 2 years if full receipt is not possible within the current framework period.
- ▶ The period for advance registration for short-time work will be abolished.
- ▶ The approval period for short-time work is extended from 3 to 6 months. This will enable the number of applications to be minimized and, thus, speed up the approval procedure.
- ▶ In addition, the ordinance on compensation for short-time work for employees similar to employers will be adapted to the Federal Council's wishes. As already communicated, they will receive CHF 3,320 for a full-time position. This is a lump sum that will not be reduced.

Measures in the area of occupational benefits

The Federal Council has also decided that employers may temporarily use the employer contribution reserves they have built up to pay employee contributions to the occupational pension scheme. This measure should make it easier for employers to bridge liquidity shortages. The measure has no effect on employees: As under normal circumstances, the employer will deduct their contribution from their wages and the total contributions will be credited to them by the pension fund.

Overview (continued)

On 20 March 2020, the Federal Council approved a comprehensive package of measures totaling CHF 32bn to cushion the economic impact of the spread of the coronavirus. With the measures already approved on 13 March (see below), **over CHF 40bn are now available**. The aim of the measures is to maintain employment, safeguard wages and support the self-employed. Measures have also been taken in the cultural and sports sectors.

Liquidity support for companies

- ▶ **Bridge loans:** to ensure that SMEs (sole proprietorships, partnerships, legal entities) receive bridging loans from the banks, the Federal Council will set up a guarantee program worth CHF 20 billion. Affected companies should be able to obtain credit amounts of up to 10% of turnover or a maximum of CHF 20m at short notice. Amounts of up to CHF 0.5m are to be paid out immediately by the banks and 100% guaranteed by the Confederation. Amounts in excess of CHF 0.5m should be guaranteed by the Confederation at 85% and require a bank examination.
- ▶ **Deferred payment of social security contributions:** companies can be granted a temporary, interest-free deferral of payment of social security contributions (AHV/IV/EO/ALV). Companies also have the option of having the amount of the regular contributions on account adjusted to the AHV/IV/EO/ALV if the sum of their wages has fallen significantly. The same applies to self-employed persons whose turnover has collapsed. The AHV compensation funds are responsible for checking payment deferrals and reducing contributions on account.
- ▶ **Extended payment deadlines and payments to suppliers:** companies can extend payment deadlines without having to pay late payment interest. The interest rate for value added tax, customs duties, special consumption taxes and incentive taxes will be reduced to 0% in the period from 21 March 2020 to 31 December 2020. No late payment interest will be charged during this period. The same regulation applies to direct federal tax from 1 March 2020 until 31 December 2020 for taxes that become due during this period. The Federal Finance Administration has also instructed the federal administrative units to check accounts payable invoices quickly and pay them out as quickly as possible without taking advantage of the payment deadlines. This will strengthen the liquidity of the Confederation's suppliers.
- ▶ **Legal standstill under the Federal Debt Collection and Bankruptcy Act (SchKG):** from 19 March to and including 4 April 2020, debtors may not be pursued throughout Switzerland. The Federal Council ordered a so-called legal standstill in debt collection at its meeting on 18 March 2020.

Extension and simplification of short-time working

Short-time work compensation compensates for temporary job losses and to maintain jobs. Due to the current exceptional economic situation, people who work on a fixed-term, temporary or employer-like basis as well as people who are in an apprenticeship are also severely affected. Therefore, the entitlement to compensation for short-time work will be extended and the application process simplified:

- ▶ Short-time work compensation can now also be paid to employees in fixed-term employment relationships and to persons in the service of an organization for temporary work.
- ▶ Loss of working hours can now also be credited to persons in an apprenticeship.
- ▶ Short-time work compensation can now also be paid to employees who are similar to employers. Employer-like employees are, e.g., shareholders of a limited liability company who work as salaried employees in the company. Persons who work in the business of the spouse or registered partner can now also benefit from short-time work compensation. They should be able to claim a lump sum of CHF 3,320 as short-time work compensation for a full-time position.
- ▶ The already reduced waiting period for short-time work compensation will be abolished. As a result, the employer's participation in the loss of working hours will no longer apply.
- ▶ Employees no longer have to reduce their overtime before they can benefit from short-time compensation.
- ▶ Simplifications regarding the processing of applications and payments for short-time work with the adoption of new provisions.

Compensation for loss of earnings for self-employed persons

Self-employed persons who suffer loss of earnings due to official measures to combat the coronavirus will be compensated, unless compensation or insurance benefits already exist. Compensation is provided for the following cases: i) school closures, ii) medically prescribed quarantine, iii) closure of an independently managed publicly accessible business, and iv) the regulation also applies to freelance artists.

Compensation is regulated in accordance with the Income Compensation Act and paid as a daily allowance. This corresponds to 80% of income and amounts to a maximum of CHF 196 per day. The AHV compensation funds are responsible for checking entitlement and paying out the benefit.

Overview (continued)

Compensation for loss of earnings for employees

Parents who have to interrupt their gainful employment due to school closures in order to care for their children or have been ordered to quarantine are entitled to compensation. The compensation is paid as a daily allowance. This corresponds to 80% of income and amounts to a maximum of CHF 196 per day. The compensation is limited to 10 daily allowances for persons undergoing quarantine measures.

Cultural sector: CHF 280 million in emergency aid and compensation

The Federal Council wants to prevent permanent damage to the Swiss cultural landscape and preserve Switzerland's cultural diversity. The economic impact of the ban on events on the cultural sector (performing arts, design, film, visual arts, literature, music and museums) is to be cushioned by means of immediate aid and compensation. In a first step, it is making CHF 280m available as a first tranche for two months. During these two months, the Confederation will monitor further developments together with the cantons and cultural organizations. The following measures are planned:

- ▶ The Confederation will make funds available to provide immediate aid to cultural enterprises and cultural workers: non-profit cultural enterprises, e.g. foundations, can receive repayable interest-free loans to ensure their liquidity. Cultural workers can claim non-repayable emergency aid to cover their immediate living costs, insofar as this is not guaranteed by the new compensation for loss of earnings in accordance with the income replacement scheme. This is handled by the cantons (cultural enterprises) or by Suisseculture Sociale (cultural workers).
- ▶ Cultural enterprises and cultural workers can apply to the cantons for compensation for the financial loss associated with the cancellation or postponement of events or the closure of businesses. The compensation for cancellation covers a maximum of 80 percent of the financial loss. The Confederation bears half of the costs awarded by the cantons.
- ▶ Associations in the fields of music and theatre can be supported with a financial contribution to cover the financial loss associated with the cancellation or postponement of events.

Sport: CHF 100 million for sports organizations

In order to prevent massive structural damage to the Swiss sports landscape, the Federal Council is providing the following financial cushioning:

- ▶ CHF 50 million as repayable loans to bridge liquidity bottlenecks for organizations that either operate in a league of Swiss sport with predominantly professional match operations or organize competitions for professional competitive sport.
- ▶ CHF 50 million as subsidies in the event of existential threats to organizations based on volunteer work and mainly promoting mass sport.

The support is intended to be linked to a duty on the part of leagues and federations to take liquidity measures in the event of a crisis. This obligation will be included in the annual performance agreement between the federal government and Swiss Olympic.

Tourism and regional policy

Immediate measures have already been implemented since February 2020 within the framework of tourism policy promotion instruments. The focus is on information and advisory activities as well as measures to bridge liquidity bottlenecks. The Confederation is strengthening its support by waiving repayment of the remainder of the additional loan to the Swiss Society for Hotel Credit SGH, which expired at the end of 2019. As a result, SGH now has an additional CHF 5.5m at its disposal for loans to retrospectively finance investments by accommodation establishments that have financed them from cash flow over the past two years.

Within the framework of regional policy, federal loans amounting to around CHF 530m are currently invested in projects, of which around 60% are in the tourism sector. The administration of federal loans is legally delegated to the cantons. In order to strengthen the liquidity of the borrowers, the Confederation allows the cantons to handle the deferral options more flexibly. In this way, the mountain railway sector in particular can be supported in the short term, since here the repayments are often due after the winter season.

Overview (continued)	Personal tax	VAT, GST and trade	Business tax	Links and resources
<p>On March 13, 2020 the Swiss government announced that it will support businesses impacted by coronavirus with currently up to CHF 10bn:</p> <ul style="list-style-type: none"> ▶ Up to CHF 8 billion can be claimed for short-time working compensation from the unemployment insurance fund. Companies will only have to bear the loss of one day's work independently before they are entitled to unemployment insurance support. The Federal Council also instructs the State Secretariat for Economic Affairs to examine by 20 March an extension of the entitlement to short-time working compensation to employees with fixed-term (non-terminable) employment contracts and employees on temporary contracts. Such an extension requires an amendment to the law. ▶ For companies that are particularly affected, the Federal Council is considering financial support (e.g., for liquidity bridging or financial assistance) in the form of a hardship provision of up to CHF 1 billion. Under the ship of the Federal Department of Finance, the relevant modalities are to be examined by 1 April and the necessary funds applied for. ▶ As of now, up to CHF 580 million in guaranteed bank loans are available to SMEs with financial bottlenecks. An additional CHF 10 million is to go to surety companies for extraordinary administrative costs. Four recognized surety companies can grant guarantees of up to CHF 1 million to companies of any size. Guaranteed bank loans must be repaid. The Federal Council also facilitates the conditions for a guarantee. Until the end of 2020, it intends to assume the one-off application costs and the risk premiums of companies for first year of the guarantee. ▶ Up to 4.5 million Swiss francs can be applied for defaults in connection with (trade fair) activities of the official export promoter S-GE. 	<ul style="list-style-type: none"> ▶ Several Cantons have extended the deadlines (usually March 31) for handing in Personal tax declarations for 2019. ▶ The deadline extensions vary between cantons. While Zurich and Basel for example have prolonged the deadline until May 31, 2020, Bern has extended the deadline until Sept. 15 2020. Depending on how the situation evolves, deadlines could be changed again. For the latest information, please check the respective tax authority's website. ▶ Payment conditions for already issued tax bills are said to be handled accommodative in several cantons. ▶ For Federal tax bills due between March 31 and December 31, no interest on late payments will be charged. 	<ul style="list-style-type: none"> ▶ Late payment interest was reduced to 0% for the time from 21 March 2020 to 31 December 2020. ▶ The existing deadlines therefore remain legally binding, however with the deferral granted, no penalties and interest are assessed. ▶ Taxpayers hence may be able to defer their VAT payments without triggering any late payment interest until the end of 2020. ▶ From our recent experience and informal contacts with them that the Swiss Federal Tax Administration (SFTA) intends to conduct daily operations in a normal manner - as far as possible. 	<p>Direct federal tax</p> <ul style="list-style-type: none"> ▶ No late payment interest is levied for the time from 1 March 2020 to 31 December 2020 for payments that become due during this period. ▶ Instalment plans and deferrals are possible upon application - procedures vary by canton/state <p>Direct cantonal tax</p> <ul style="list-style-type: none"> ▶ Cantons are publishing tax measures on an ongoing basis; after the Federal Council's communication on 20 March 2020, many will follow through with theirs in the upcoming days. ▶ Potential measures include extended filing deadlines, 0% late payment interest, dunning stops, additional debt enforcement holidays to the Federal ones and similar are being considered or have - in single instances - been decided (e.g. Berne) 	<p>Government materials</p> <ul style="list-style-type: none"> ▶ https://www.admin.ch/gov/en/start/documentation/media-releases/media-releases-federal-council.msg-id-78572.html ▶ https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78573.html ▶ https://www.newrealitylog.com/2020/03/25/co-vid-19-swiss-relief-measures-around-tax-payments-and-deadlines/ ▶ https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78515.html ▶ https://www.bag.admin.ch/bag/de/home/das-bag/aktuell/medienmitteilungen.msg-id-78437.html ▶ https://www.newrealitylog.com/2020/03/20/co-vid-19-the-cross-border-movement-impact-key-observations/

Overview

- ▶ On 25 February 2020, Taiwan's Legislative Yuan passed the statute for prevention and rehabilitation of severe infectious pneumonia (the Statute). The Statute, which was subsequently signed by the President and enacted accordingly, is in response to the recent Covid-19 outbreak and aims to alleviate its impact on the domestic economy and society. The budget connected with the statute is NT\$60 billion (approximately US\$2 billion)
- ▶ The Statute came into effect retrospectively from 15 January 2020 and applies until 30 June 2021 (subject to any extension granted by the Legislative Yuan)

Personal tax

- ▶ Individual tax filing and payment deadline on 1 June 2020 may be extended to 30 June 2020 if the original filing due date cannot be fulfilled due to the impact of Covid-19
- ▶ Individuals who have difficulty in settling tax payments due to the impact of Covid-19 may file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act

VAT, GST and trade

- ▶ VAT filing and payment deadlines 15 March, 15 April and 15 May 2020 may be extended to 31 March, 30 April and 1 June 2020, respectively if the original filing and payment due date cannot be fulfilled due to the impact of Covid-19
- ▶ An enterprise who has difficulty in settling tax payments due to the impact of Covid-19 may file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act

Business tax

- ▶ An enterprise may claim a 200% tax deduction for expenses incurred in the tax year on salaries and wages paid to employees who take leave for the one of more in-scope reasons related to Covid-19 infection
- ▶ Corporate income tax filing and payment deadline 1 June 2020 could be extended to 30 June 2020. Companies that use another fiscal year end, rather than calendar year, may be allowed 30 days filing and tax payment extension, if their fiscal year end is prior to 1 June 2020
- ▶ An enterprise who has difficulty in settling tax payments due to impact of Covid-19 can file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act

Links and resources

Government materials

<https://law.moj.gov.tw/News/NewsDetail.aspx?msgid=153844>

Overview

On 24 March 2020, the Cabinet approved additional stimulus measures to relieve the impact of the coronavirus outbreak, as summarized:

1. Tax return filing extensions
2. Tax measure related to health insurance premiums deduction increased to THB 25,000
3. Tax exemption on risk payments for medical workers
4. Import duty exemption for products related to the prevention and treatment of COVID-19
5. Tax relief measure for debt restructuring

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

Personal tax

- ▶ Extend personal income tax filing and payment for the tax year 2019, from 30 June 2020 (previously extended from 31 March 2020) to 31 August 2020
- ▶ Increase the allowable deduction of health insurance premium for personal income tax purpose, from THB 15,000 to THB 25,000, applicable from the tax year 2020 onwards . However, the deduction for this premium together with the life insurance premiums and bank deposit deposits with life insurance riders paid cannot exceed THB 100,000 in total
- ▶ Provide exemption of personal income tax on risk payments for medical workers in 2020

VAT, GST and trade

- ▶ Extend monthly indirect tax (VAT, specific business tax, and other taxes) filing and payment for affected operators by 1 month
- ▶ Extend excise tax filing and payment by service providers for taxable months from 1 March 2020 to 31 May 2020 to 15 July 2020
- ▶ Extend excise tax filing and payment by oil and petroleum product manufactures for taxable months from 1 April 2020 to 30 June 2020 to 15th of the following month
- ▶ Exemption of import duty for product related to the prevention and treatment of Covid-19 up to 30 June 2020

Business tax

- ▶ Extend annual corporate income tax filing and payment for companies or juristic partnerships that are not listed on the Stock Exchange of Thailand from May 2020 to 31 August 2020
- ▶ Extend half-year corporate income tax filing and payment for companies or juristic partnerships that are not listed on the Stock Exchange of Thailand from August 2020 to 30 September 2020
- ▶ Across all tax types: Tax relief measure for debt restructuring, applying to transactions that occur between 1 January 2020 and 31 December 2020, which includes :
 - ▶ Exemption from personal income tax and corporate income tax for debtors on income derived from debts forgiveness by creditors
 - ▶ Exemption from personal income tax, corporate income tax, value added tax, special business tax and stamp duty on income received from transfer of properties, sale of goods, provision of services, and execution of instruments due to debt restructuring
 - ▶ Exemption from personal income tax, corporate income tax, special business tax and stamp duty to debtors for income received from transfer of mortgaged property to a third party, provided that the exempted portion must not exceed the debt amount owed to the mortgagee
 - ▶ Write-offs of bad debts related to debt restructuring can be treated as deductible expenses for tax purposes, regardless of whether they meet the criteria in the current regulations of the Revenue Department dealing with bad debt write-offs.
- ▶ Reduction of transfer fees for the transfer of immovable property due to a prescribed debt restructuring from 2% to 0.01%, effective from the publication date in the Royal Gazette to 31 December 2021

Links and resources

Overview

- ▶ Reduction in the reserve requirement for Financial Institutions from 17% to 14%.
- ▶ The repurchase agreement (REPO) rate will be reduced from 5% to 3.5%.
- ▶ Citizens who lose their jobs as a result of the measures being put in place to curb the spread of COVID-19 will be able to access a Salary Relief Grant of TT\$1,500 per month for the next three months to be administered by the National Insurance Board.
- ▶ Commercial Banks and other lending institutions have been encouraged to offer interest rate reductions and payment moratoriums to their customers.
- ▶ The availability of foreign exchange will be increased for pharmaceuticals, food and manufacturing.
- ▶ All borders are now closed for passenger travel. Air travel is allowed only in the case of emergencies.

Personal tax

- ▶ Cash refunds of TT\$20,000 or less will be paid from the week of 31 March.

VAT, GST and trade

- ▶ Cash payments of VAT refunds of TT\$250,000 or less will be made from the week of 31 March.
- ▶ Based on government cash flow, cash refunds of TT\$500,000 or less may be made from the week of 31 March.
- ▶ A TT\$3 billion bond will be issued by March 31 to partially pay the VAT refunds in excess of TT\$500,000

Business tax

Links and resources

Overview

On 21 March 2020, the Tunisian Government announced a set of measures and an economic package of 2500 billion TND to fight the virus.

▶ To preserve jobs and guarantee the salaries of employees, workers and civil servants:

- ▶ Set up a financing line worth 300 million dinars in the form of aid for employees on technical unemployment.
- ▶ Devote exceptional financing worth 150 million dinars in the form of bonuses for the benefit of vulnerable social classes.
- ▶ Postponement of payment of bank credits for a period of 6 months for the benefit of people whose wages do not exceed 1000 dinars.

▶ General Measures

- ▶ Suspension until the end of May 2020 all control operations and deadlines relating to tax audits, as well as deadlines for objections.
- ▶ Fast refund of tax credits (for all companies), by accelerating the frequency of holding the commissions in charge of examining refund claims (weekly frequency instead of bimonthly frequency) so that payment is made within a period not exceeding one month.
- ▶ Reactivation of the role of the National and Regional Conciliation Commissions.

▶ Measures concerning the most affected companies

- ▶ Establishment of a management and support unit at the level of the Presidency of the Government in charge of the companies most affected, which works to preserve jobs and guarantee workers' rights. This unit is made up of representatives of the Ministries of Finance and Social Affairs, the Central Bank of Tunisia, the UTICA, the UGTT, the Professional Association of Banks and Financial Institutions and the Tunisian Union of Agriculture and Fisheries.
- ▶ Rescheduling of recorded tax debts for a period of up to 7 years.
- ▶ Suspension of the calculation of late payment penalties for a period of three months, from April 1, 2020 until the end of June 2020.

- ▶ The definition of the most affected companies will be fixed by government decree after consultation with representatives of the monitoring unit at the level of the Presidency of the Government. It being specified that the role assigned to this unit includes monitoring the implementation of the above measures, as well as monitoring the respect by affected companies of the rights of employees and the preservation by these companies of employment positions.

▶ Measures concerning the most affected sectors

- ▶ Introduction of a guarantee mechanism for new management, operation and maintenance bank loans, which will be granted by banks until 31 December 2020 and will be repaid over a period of 7 years, including a 2-year grace period. The envelope dedicated to these new credits is set at 500 million dinars. The envelope dedicated to these new credits is set at 500 million dinars. This measure concerns the tourism sector with all its components, including tourist hotel establishments, travel agencies falling under "category A", tourist restaurants, handicrafts, the transport and culture sectors, as well as any other affected activity.

▶ Measures concerning Small and Medium-sized Enterprises

- ▶ Allocation of an additional allocation of 300 million dinars to strengthen the line of credit dedicated to the support and recovery of small and medium-sized enterprises.
- ▶ Activation of the advantage of the State's assumption of the difference between the interest rate on investment credits and the average money market rate within the limit of three points.

▶ Measures establishing investment funds dedicated to the financial restructuring of companies

- ▶ Creation of an investment fund amounting to 500 million dinars (including 100 million dinars in initial subscription), on the initiative of of Caisse des Dépôts et des Consignations (CDC) aiming to finance companies operating in strategic sectors by means of quasi-equity, in order to strengthen the permanent resources of companies that preserve jobs.
- ▶ Creation of a bridging fund amounting to 100 million dinars at the initiative of the Caisse des Dépôts et des Consignations (CDC), which will be devoted exclusively to buying out the holdings of investment funds in enterprises operating in strategic sectors and encountering difficulties.

Overview (continued)	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> ▶ Measures affecting the public health sector <ul style="list-style-type: none"> ▶ Establishment of an investment mechanism amounting to 100 million dinars on the initiative of the Caisse des Dépôts et des Consignations (CDC), which will be dedicated exclusively to the financing of equipment acquisitions for hospitals and public health establishments. ▶ Measures concerning fully exporting companies <ul style="list-style-type: none"> ▶ Authorization for fully exporting companies operating in the food and health industries to sell their products entirely on the local market (100% instead of 30%) during the year 2020. ▶ Authorization for fully exporting companies operating in other sectors to sell half of their products on the local market (50% instead of 30%) during the year 2020. ▶ Measures concerning the cultural sector <ul style="list-style-type: none"> ▶ Creation of a fund to support the cultural sector and cultural enterprises and projects affected by the cancellation of shows and cultural events. ▶ Measures concerning all sectors <ul style="list-style-type: none"> ▶ Legal revaluation of built and non-built properties free of tax, subject to the condition of non-transfer of the said properties. ▶ Extension of the deadlines for the payment of road tax on cars until the end of April 2020. ▶ Amnesty of customs fines that were the subject of official reports or judgements prior to 20 March 2020, subject to payment of all taxes and duties due, as well as a 10% fine. 	<ul style="list-style-type: none"> ▶ Postponement of the deadline for payment of circulation tax for natural persons until the end of April 2020 	<ul style="list-style-type: none"> ▶ Facilitation of the procedures for refunding the VAT credit coming from the exploitation, abandonment of the condition relating to the maturation of postponement for six consecutive months, and repayment of the credit within a period not exceeding one month. ▶ Instant issuance of tax-suspended purchase certificates and other certificates even in the event of non-filing of all the required documents, provided that the affected companies undertake to communicate these documents to the tax authorities later. ▶ Exemption of medicines distribution companies at the retail and wholesale stages from VAT. 	<ul style="list-style-type: none"> ▶ Extension of the deadlines for filing corporate tax returns until the end of May 2020, with the exception of companies subject to corporate income tax at the rate of 35%. it should be noted, that no measures have been taken to postpone the filing deadlines for other tax declarations (monthly, quarterly, employer, etc.). thereby monthly declarations for legal persons relating to February remain to be filed no later than March 28, 2020 (March 30, 2020). 	<p>Government materials</p> <p>https://www.bct.gov.tn/bct/siteprod/documents/Cir_2020_06_ar.pdf</p>

Overview

- ▶ On March 18, Turkey announced a TL 100 billion (\$15.3 billion) economic package called "Economic Stability Shield" to support the economy and reduce the impact of the New Corona Virus Disease (Covid-19).
- ▶ Turkey postpones debt payments and reduces the tax burden on various sectors as part of a \$15.4 billion, with additional fiscal help.
- ▶ On 19 March 2020, Turkey unveiled measures for citizens involving online tax practices to keep them away from crowded places unless there is a mandatory situation.

Personal tax

- ▶ Filing date of the annual income tax return for individuals and the first installment payment date of the same have been extended until 30 April 2020.
- ▶ Turkey implements Short-time Working Payment system, which will provide temporary income support.
- ▶ Non-Turkish citizens will be able to make their Potential Tax ID requests through the web application (ivd.gib.gov.tr).
- ▶ Any kind of petitions to the tax office that need to be submitted by 10/04/2020 must be submitted electronically via the website (ivd.gib.gov.tr), mobile application (GIB Mobil).

VAT, GST and trade

- ▶ The VAT rate for domestic flights lowered from 18% to 1% for 3 months.
- ▶ The period of Value Added Tax declarations and the payment to be made by the end of 26 March 2020 have been extended until 24 April 2020.
- ▶ The period of the "Form Ba" and "Form Bs" notifications for the 2020/February period to be submitted by 31 March 2020, has been extended until 30 April 2020.
- ▶ The period of the creation and signing of the Electronic Ledgers and the upload of the Electronic Book Statements to be made by 31 March 2020 have been extended to 30 April 2020.

Business tax

- ▶ Accommodation tax will be waived until November.

Links and resources

Government materials

- ▶ <https://www.gib.gov.tr/31-mart-2020-gunu-sonuna-kadar-verilmesi-gereken-2019-takvim-yilina-ait-yillik-gelir-vergisi>
- ▶ <https://www.gib.gov.tr/yeni-korona-virus-hastaligi-kovid-19-ile-etkin-mucadele-kapsaminda-alinan-bazi-tedbirler-hakkinda>
- ▶ <https://www.gib.gov.tr/muhtasar-ve-katma-deger-vergisi-odemelerinin-6-ay-ertelenmesine-yonelik-aciklama>
- ▶ <https://www.gib.gov.tr/node/143122>
- ▶ <https://www.gib.gov.tr/mal-ve-hizmetlere-uygulanacak-katma-deger-vergisi-oranlarinin-tespitine-iliskin-kararda-degisikli-17>

Overview

- ▶ On 24 March 2020, the Turkish Revenue Administration announced on its website that a General Communiqué on the application of force majeure tax practice was being prepared. It will be published soon.
- ▶ The list of taxpayers within the scope of force majeure tax practice include; retail trade and shopping centers, iron and steel and metal industry, automotive, logistics-transportation, cinema and theater activities, accommodation, food and beverage services, textile and apparel activities, event and organization, health services, furniture manufacturing, mining and quarrying, construction, industrial kitchen equipment, car rental, printed publishing and printing and all income taxpayers.

Personal tax

VAT, GST and trade

- ▶ Turkey postpones for six months the April, May and June WHT and VAT and social security payments of taxpayers within the scope of force majeure.
- ▶ According to the Turkish Revenue Administration, only taxpayers and taxpayer groups listed in the announcement can benefit from the force majeure tax practice.
- ▶ For those tax payers, the period of withholding and value added tax return to be submitted in April, May and June have been extended until 27 July 2020 and the period of payment have been extended for six months (in October, November, December).
- ▶ For taxpayers above the age of 65 who are in curfew, the period between the beginning of the curfew and the date when it ends will be considered as a force majeure; the declaration and payment period for taxes in consideration will be extended until the end of the 15th day following the date of prohibition.

Business tax

Links and resources

Government materials

<https://www.gib.gov.tr/koronavirus-salginindan-etkilenmeleri-nedeniyle-beyanlari-uzatilarak-odemeleri-ertelenen-mukellefler>

Overview

- ▶ In recognition of the current situation regarding the impact of Covid-19 on the business community, and to support taxpayers in meeting their obligations, the Uganda Revenue Authority (URA) has made changes to the way its services are offered.

Personal tax

VAT, GST and trade

- ▶ Taxpayers whose monthly returns (VAT, Excise Duty) are due on 15 April 2020 but are unable to file by the due date have been granted an extension to file by 30 April 2020.
- ▶ Penalties for late filing of monthly returns (VAT and Excise Duty) for February 2020, that were due on 15 March 2020, shall be remitted if those returns are filed on or before 31 March 2020.

Business tax

- ▶ Taxpayers with an accounting period ending on 30 September and required to file corporate income tax returns by 31 March 2020 have been granted an extension to 31 May 2020 to file these returns. All penalties related to late submission of these returns shall be remitted if the returns are filed on or before 31 May 2020.
- ▶ Taxpayers whose monthly returns (PAYE and WHT) are due on 15 April 2020 but are unable to file by the due date have been granted an extension to file by 30 April 2020.
- ▶ Penalties for late filing of monthly returns (PAYE and WHT) for February 2020, that were due on 15 March 2020, shall be remitted if those returns are filed on or before 31 March 2020.
- ▶ Taxpayers who executed Memoranda of Understanding with URA and whose payments are due in March and April 2020 will have the option to defer and reschedule these payments. The terms of the MOU will accordingly be restructured for payments to be resumed in May 2020. This applies to taxpayers whose businesses have been affected by Government directives on Covid-19 and are unable to meet their obligations during the period.
- ▶ Taxpayers that make any voluntary disclosure of taxes during the months of March and April 2020, and pay the principal tax liability, shall have their interest and penalties remitted.

Links and resources

Overview

- ▶ On 17 March 2020, draft law no. 3220 was adopted by the parliament. The draft law aims to mitigate effects of the COVID-19 pandemic for taxpayers

Personal tax

VAT, GST and trade

Business tax

- ▶ Extension of the deadline for filing of the annual income and asset tax returns until 1 July 2020;
- ▶ No land tax payments between 1 March and 30 April 2020
- ▶ No real estate tax levied between 1 March and 30 April 2020 on non-residential immovable property, other than land, owned by individuals or legal entities

Links and resources

Find the most current version of this tracker on [ey.com](https://www.ey.com)

[Return to jurisdiction list](#)

Overview

- ▶ The government announced cuts in business fees, customs duties and reduction on utility costs for the next three months.
- ▶ 50% reduction in municipal fees paid by hotels and market fees.
- ▶ 10% reduction in water and power bills.
- ▶ Allowing business licenses to be paid in installments without the usual 25% upfront payment.

Personal tax

VAT, GST and trade

- ▶ Refund of 20% on custom fees imposed on imported products sold locally in Dubai markets.

Business tax

Links and resources

Overview

- ▶ On 11 March, the Monetary Policy Committee of the Bank of England reduced interest rates by 50 basis points, from 0.75% to 0.25%. The Bank in an emergency meeting on 19 March then cut its bank rate by 15 basis points to 0.1% and further increased its holdings of U.K. government bonds and sterling non-financial investment-grade corporate bonds by £200 billion to a total of £645 billion.
- ▶ Shortly thereafter, and in his first budget since taking up the role, British Chancellor Rishi Sunak has unveiled a £30 billion package to boost the economy and get the country through the coronavirus outbreak. This was followed by further announcements on x March and again by further announcements on 20 March.
- ▶ The measures initially directed at supporting employees who were suspected of infection, then small and medium sized businesses and subsequently at larger businesses and employers.
- ▶ These measures have been focused on: supporting employment, providing cash flow support to businesses, and increasing welfare support. These measures have become increasingly substantial as the UK has moved to close some businesses, such as some in the retail, hospitality and leisure sector.
- ▶ Supporting businesses and employment:
 - ▶ Coronavirus Job Retention Scheme: providing grant to employers of up to 80% of previous salary (grant capped at £2,500 per month) for employees who are “furloughed” rather than laid-off.
 - ▶ Business rates in England will be abolished for firms in the retail, leisure and hospitality sectors
 - ▶ Cash grants for smaller businesses
 - ▶ Three months of taxable grants to self-employed of up to 80% of average monthly earnings (grant capped at £2,500 per month) for those earning less than £50,000 pa in 2018/19. Self-employed can still continue to work.
- ▶ Providing cash flow support:
 - ▶ £330bn of Government-backed and guaranteed loans to businesses through two main schemes:
 - ▶ larger firms: Covid Corporate Finance Facility to purchase up to one-year duration commercial paper on terms comparable to those prevailing in markets before the Covid-19 economic shock
 - ▶ SMEs, a Business Interruption Loan Scheme providing loans of up to £5 million, with no interest due for the first twelve months and 80% guaranteed by government
 - ▶ Deferral of next quarter of VAT payments deferred until end of financial year; deferral of self-employed July 2020 instalment payment to January 2021; and a Time to Pay arrangement helpline for other tax liabilities
- ▶ Supporting individuals:
 - ▶ All those advised to self-isolate will be entitled to statutory sick pay, even if they have not presented with symptoms
 - ▶ Self-employed workers who are not eligible will be able to claim contributory Employment Support Allowance
 - ▶ The ESA benefit will be available from day one, not after a week as before
 - ▶ Firms with fewer than 250 staff will be refunded for sick pay payments for two weeks
 - ▶ Payment holiday on mortgages for up to three months (deferral of interest payments)

Personal tax

- ▶ The next self-assessment income tax payment, due at end July 2020, will be deferred until end January 2021
- ▶ Universal Credit and Working Tax Credit standard allowance extended by £1,000/yr for next 12 months

VAT, GST and trade

- ▶ VAT payments will be deferred from 20 March 2020 - 30 June 2020 . There will be no requirement to pay any VAT to HMRC during this period including those businesses that make Payments on Account in lieu of their VAT liability.
- ▶ This is an automatic offer for all businesses, including non-established taxable persons with no applications required. Taxpayers will be given until the end of the 2020 to 2021 tax year to pay any liabilities that have accumulated during the deferral period. VAT refunds and reclaims will be paid by the Government as normal.

The Time To Pay announcement previously released still stands. These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities. HMRC's dedicated helpline is available at + 44 800 0159 559.

Business tax

- ▶ Business rates in England will be abolished for firms in the retail, leisure and hospitality sectors - specific exemptions apply
- ▶ Time to Pay arrangements available for tax liabilities

Links and resources

Government materials

- ▶ <https://www.bankofengland.co.uk/news/2020/march/boe-measures-to-respond-to-the-economic-shock-from-Covid-19>
- ▶ <https://www.gov.uk/government/news/coronavirus-covid-19-guidance-for-employees-employers-and-businesses>

Overview

- ▶ March 3: Federal Reserve (Fed) cuts interest rates by 0.5%
- ▶ March 6: \$8.3b spending bill signed by President (H.R. 6074)
- ▶ March 12: Fed initiates quantitative easing, committing to purchasing \$1.5t in short-term Treasury debt from banks
- ▶ March 13: Emergency disaster declaration signed by President, freeing up \$40b in additional funding
- ▶ March 15: Fed drops interest rates to zero and buys \$700b in government bonds
- ▶ March 18: President Trump signs the Families First Coronavirus Response Act (H.R. 6201) into law
- ▶ March 23: Fed announces unlimited bond purchases
- ▶ March 27: President Trump signs the Coronavirus Aid, Relief, and Economic Security (CARES) Act (S. 3548), enacting it into law. Key general components include:
 - ▶ Stabilization funds for impacted businesses created or organized in the US with significant operations or a majority of their employees in the US (with restrictions)
 - ▶ Stock buybacks are prohibited for the duration of the loan plus one additional year and dividends may not be paid on the business's common stock for the term of the loan plus one additional year
 - ▶ Loan recipients must maintain existing employment levels "to the extent practicable" during the loan term, and cannot reduce their employment levels by more than 10%
 - ▶ Limitations on the total compensation of highly paid workers for the term of the loan plus one additional year
 - ▶ Small business loan-to-grants and aid to state and local governments
 - ▶ Expanded unemployment insurance benefits (UI)
 - ▶ Emergency funds for healthcare providers

State and local level responses

- ▶ A non-exhaustive list of state-level measures may be found in these Tax Alerts from [March 19](#), [March 23](#), [March 27](#), and [March 30](#)

Personal tax

- ▶ March 18: Individual taxpayers can defer tax payments that would otherwise be due April 15 for 90 days interest and penalty free (IRS Notice 2020-18). The payment due date is now July 15, the postponed payment amount is the same for single individuals and those married filing jointly.
 - ▶ March 20: Treasury Secretary Mnuchin announces that the filing deadline would be extended to July 15
- ▶ Key tax components of the CARES Act include the following individual provisions:
 - ▶ 2020 recovery rebates of \$1,200 for individuals, phasing out at certain thresholds based on the taxpayer's previous taxable income Rebate increases by \$500 for every child
 - ▶ Complete phase-out at \$99,000 taxable income for single filers
 - ▶ Waiver of 10% early withdrawal penalty for retirement plan distributions up to \$100,000 for coronavirus-related purposes
 - ▶ Distributions would be subject to tax over three years
 - ▶ Taxpayer may recontribute the funds within three years without regard to yearly cap on retirement plan contributions
 - ▶ Expansion of deduction for charitable contributions
 - ▶ Income tax exclusion for individuals who are receiving student loan repayment assistance from their employer

VAT, GST and trade

Business tax

- ▶ March 18: Corporate taxpayers with calendar year ends can defer payments that would otherwise be due April 15 for 90 days interest and penalty-free (IRS Notice 2020-18). The payment and filing deadline now has been further extended to July 15. The extension also applies to GST tax returns and associated payments.
- ▶ Under H.R. 6201, employers with fewer than 500 employees are entitled to a 100% refundable payroll tax credit on wages required to be paid due to paid family/sick leave related to Covid-19 and additional health benefit contributions.
- ▶ Key tax components of the CARES Act include the following business provisions:
 - ▶ Employee retention credit for employers subject to closure due to Covid-19
 - ▶ Eligible employers will receive a 50% credit on qualified wages against their employment taxes for each quarter, with any excess credits eligible for refunds. An eligible employer is one with operations suspended by orders issued in response to COVID-19 or one that has suffered a significant decline (more than 50% decrease year-over-year) in gross receipts during the quarters that begin with the quarter in which gross receipts declined by more than 50% and ending with the quarter in which gross receipts have recovered by more than 80%.
 - ▶ Deferred payment of employer share of the Social Security tax (6.2% of employee wages) from the date of enactment through 31 December 2020
 - ▶ Half the amount of such payment due December 31, 2021, remainder due 31 December 2022
 - ▶ Temporary increase in the amount of the interest expense deduction by increasing the 30% limitation to 50% of EBITA for 2019 and 2020
 - ▶ Temporary allowance of net operating loss (NOL) carrybacks - a loss from 2018, 2019, or 2020 can be carried back five years
 - ▶ Taxpayers that carryback NOLs to a year in which the transition tax (under Section 965) applies will be treated as making an election under Section 965(n) that allows taxpayers to preserve their NOLs
 - ▶ Temporary allowance of NOLs to fully offset taxable income without limitation
 - ▶ Modification of loss limit for pass-throughs (to allow for the same NOL carryback benefit as corporations)
 - ▶ Acceleration of corporate alternative minimum tax credit refunds
 - ▶ Temporary exception from excise tax for alcohol used to produce hand sanitizer for 2020
 - ▶ Temporary expansion of limitations on charitable contribution deduction (increasing taxable income limitation from 10% to 25% for 2020)

Links and resources

EY Materials

[COVID-19 | Key alerts and other resources from EY Tax](#)

[What to expect in Washington | Coronavirus response](#) (1 April)

[This week's Tax COVID-19 webcasts](#) (31 March)

[Tax Alert | CARES Act may have income tax accounting implications](#) (31 March)

[Tax Alert | CARES Act includes new provisions on employee benefits, compensation, and wages](#) (27 March)

[Breaking Tax News | President signs coronavirus bill #3, CARES Act](#) (27 March)

[Tax Alert | Covid-19 could have implications on income tax accounting](#) (25 March)

[Tax Alert | Federal Reserve Announces Wave of New Initiatives to Boost Economy, Help Markets](#) (23 March)

[Breaking Tax News | Income tax return filing deadline extended to July 15](#) (20 March)

[Breaking Tax News | Senate approves second coronavirus bill, sends to president](#) (18 March)

[Tax Alert | Families First Coronavirus Response Act gives tax relief to employers and employees impacted by Covid-19](#) (18 March)

Government materials

[Coronavirus Preparedness and Response Supplemental Appropriations Act \(H.R. 6074\)](#)

[Families First Coronavirus Response Act \(H.R. 6201\)](#)

[Coronavirus Aid, Relief, and Economic Security \(CARES\) Act \(S. 3548\)](#)

IRS Notices: [2020-17](#), [2020-18](#), [2020-20](#)

[IRS | Draft Form 7200 Advanced Payment of Employer Credits instructions](#)

[Department of Treasury | CARES Act resources](#)

Overview

- ▶ According to the National State of Sanitary Emergency declared by the Uruguayan Government since March 13, a package of fiscal measures has been adopted that involves: Personal Income Tax, Value Added Tax and Corporate Income Tax.

Personal tax

- ▶ Employer contributions to the Social Security Bank (BPS) that correspond to the months of March and April, for small taxpayers, sole-proprietorships and "personal" companies with up to a maximum of 10 employees, may be paid: 60% in June and the remaining 40% will be fully subsidized by the State.
- ▶ The due date for the payment of taxes collected by the Tax Authority, as well as for the submission of the affidavit, is extended, deferring said obligations corresponding to February until March 27.

VAT, GST and trade

- ▶ The Ministry of Economy and Finance (MEF) announced that it will postpone the expiration of the VAT payment (for small taxpayers under Minimum VAT regime) for the months of March and April, to be paid in May. The payments may be done in six equal, consecutive, interest-free installments.
- ▶ The due date for the payment of taxes collected by the Tax Authority, as well as for the submission of the affidavit, is extended, deferring said obligations corresponding to February until March 27.

Business tax

- ▶ The due date for the payment of taxes collected by the Tax Authority, as well as for the submission of the affidavit, is extended, deferring said obligations corresponding to February until March 27.

Links and resources

Government materials

<https://www.presidencia.gub.uy/comunicacion/comunicacion-noticias/lacalle-medidas-coronavirus-conferencia>

<https://www.presidencia.gub.uy/comunicacion/comunicacion-noticias/gobierno-nuevas-medidas-economicas-sociales-ante-coronavirus>

<https://www.presidencia.gub.uy/comunicacion/comunicacion-noticias/flexibilizacion-seguro-paro-mieres>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none">▶ Presidential Decree #5969 “On priority measures to mitigate the negative impact on the sectors of the economy of the coronavirus pandemic and global crisis developments” was adopted on 19 March 2020. According to the Presidential Decree, some measures were introduced to support the economy and business which entered into force on 20 March 2020.▶ The Presidential Decree is available in Uzbek and Russian languages via the following link: https://lex.uz/ru/docs/4770763	<ul style="list-style-type: none">▶ The individual income tax declaration filing deadline is extended from 1 April to 1 August 2020;▶ In-kind benefits received by individuals from charity institutions are exempt from individual income tax from 1 April 2020;▶ The property tax and land tax payment deadlines for individuals are extended from 15 April to 15 October 2020.		<ul style="list-style-type: none">▶ Moratorium on tax audits will be effective until 1 January 2021 (tax audits will only be limited to tax audits conducted based on criminal cases and liquidation of legal entities);▶ Property tax, land tax and water use tax payment deadlines for legal entities can be extended for 6 months by local authorities based on the application of the taxpayer (late payment interest on these taxes is not assessed by the tax authorities until 1 October 2020 in relation to entities experiencing temporary difficulties, and measures on forced tax collection measures shall not be applied);▶ Social tax for individual entrepreneurs is reduced to 50% of the specified base value for the period between 1 April 2020 to 1 October 2020.▶ Water use tax rate for water volumes used for the purposes of agricultural irrigation is reduced by 50% in 2020;▶ Penalties for having overdue receivables from foreign trade operations are not applied until 1 October 2020;▶ Touristic duty will not be levied during the period from 1 April to 1 October 2020;▶ Export of goods without guaranteed payment is allowed if the overdue receivables do not exceed 10% of the total annual export (previously export of goods without guaranteed payment was allowed only if there were no overdue receivables).	

Overview

- ▶ Declaration of National State of Alert and Emergency.
- ▶ The Executive Branch suspend the following activities for 30 days:
 - ▶ -School and university activities.
 - ▶ -Work activities, except for the water, electricity, food and medicine sectors.

Personal tax

- ▶ 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-working days for the computation of tax obligations, since the activity in banking agencies is suspended by quarantine, so the payment of tax obligations cannot be carried out, except in the case of those taxpayers who have bank accounts in public banking.

VAT, GST and trade

- ▶ 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-working days for the computation of tax obligations, since the activity in banking agencies is suspended by quarantine, so the payment of tax obligations cannot be carried out, except in the case of those taxpayers who have bank accounts in public banking.

Business tax

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- ▶ However, according to the Master Tax Code, these are understood as non-working days for the computation of tax obligations, since the activity in banking agencies is suspended by quarantine, so the payment of tax obligations cannot be carried out, except in the case of those taxpayers who have bank accounts in public banking.

Links and resources

Overview

Draft Decree on the extension of VAT and PIT payment deadline

- ▶ To support companies which are affected by Covid-19, the Vietnamese Government is considering to defer the deadline for payments of value added tax (VAT), personal income tax (PIT) and land rental fee
- ▶ Affected industries may include:
 - Agriculture, forestry and fishery;
 - Manufacturing and processing food; Weaving; costumes; shoes; products from rubber; electronic products, computers;
 - Transportation;
 - Accommodation and catering
 - Activities of travel agents, tour operators and support services related to tourism promotion and organization.

Personal tax

Extend the deadline to pay PIT for individuals and business household

- ▶ For individuals and business household: The deadline for payments of VAT will be extended to 15 December 2020, applicable to individuals and business households which engage in the business activities fall into the scope of application of this draft Decree.

VAT, GST and trade

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 to 5 months from the statutory deadline.
- ▶ For individuals and business household: The deadline for payments of VAT will be extended to 15 December 2020, applicable to individuals and business households which engage in the business activities fall into the scope of application of this draft Decree.

Business tax

Extend the deadline to pay annual land rental fee

- ▶ An extension of 5 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.

Links and resources

Government materials

- ▶ <http://news.chinhphu.vn/Home/Ministry-proposes-five-month-tax-payment-delay-due-to-COVID19-outbreak/20203/39159.vgp>
- ▶ <https://vietnamnet.vn/en/business/enterprises-hurt-by-covid-19-proposed-five-months-tax-payment-leniency-623389.html>

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