



# EY Tax Covid-19 Response Tracker

9 April 2020



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working world

# 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 teams have developed additional trackers to help you follow changes:

- ▶ [Global Mobility](#)
- ▶ [Immigration Policy](#)
- ▶ [Labor and Employment Law](#)
- ▶ [Tax Controversy](#)
- ▶ [US State and Local Taxes](#)

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

Questions or comments: [globaltaxpolicyandcontroversy@ey.com](mailto:globaltaxpolicyandcontroversy@ey.com)

# Jurisdictions covered (120)

<a href="#">Albania</a>	<a href="#">Bolivia</a> *	<a href="#">Cyprus</a>	<a href="#">Germany</a>	<a href="#">Ireland</a>	<a href="#">Latvia</a>	<a href="#">Morocco</a>	<a href="#">Philippines</a>	<a href="#">Slovakia</a> *	<a href="#">Tunisia</a>
<a href="#">Algeria</a>	<a href="#">Bonaire, Sint-Eustatius and Saba</a>	<a href="#">Czech Republic</a> *	<a href="#">Ghana</a>	<a href="#">Israel</a>	<a href="#">Lebanon</a>	<a href="#">Myanmar</a>	<a href="#">Poland</a>	<a href="#">Slovenia</a>	<a href="#">Turkey</a>
<a href="#">Argentina</a> *	<a href="#">Bosnia and Herzegovina</a>	<a href="#">Denmark</a> *	<a href="#">Gibraltar</a>	<a href="#">Italy</a> *	<a href="#">Lithuania</a>	<a href="#">Netherlands</a>	<a href="#">Portugal</a> *	<a href="#">South Africa</a>	<a href="#">Uganda</a>
<a href="#">Armenia</a>	<a href="#">Brazil</a> *	<a href="#">Dominican Republic</a>	<a href="#">Greece</a>	<a href="#">Ivory Coast</a>	<a href="#">Luxembourg</a>	<a href="#">New Zealand</a>	<a href="#">Puerto Rico</a>	<a href="#">South Korea</a> *	<a href="#">Ukraine</a> *
<a href="#">Aruba</a>	<a href="#">British Virgin Islands</a>	<a href="#">Ecuador</a>	<a href="#">Guatemala</a>	<a href="#">Jamaica</a>	<a href="#">Macedonia</a>	<a href="#">Nigeria</a>	<a href="#">Qatar</a>	<a href="#">Spain</a>	<a href="#">United Arab Emirates</a>
<a href="#">Australia</a> *	<a href="#">Bulgaria</a>	<a href="#">Egypt</a>	<a href="#">Guyana</a> *	<a href="#">Japan</a>	<a href="#">Mainland China</a>	<a href="#">Norway</a>	<a href="#">Romania</a>	<a href="#">Suriname</a>	<a href="#">United Kingdom</a>
<a href="#">Austria</a>	<a href="#">Canada</a>	<a href="#">El Salvador</a>	<a href="#">Hong Kong</a> *	<a href="#">Jordan</a>	<a href="#">Malaysia</a>	<a href="#">Oman</a>	<a href="#">Russia</a>	<a href="#">Sweden</a>	<a href="#">United States</a> *
<a href="#">Bahamas</a>	<a href="#">Cayman Islands</a>	<a href="#">Estonia</a>	<a href="#">Hungary</a>	<a href="#">Kazakhstan</a>	<a href="#">Malta</a>	<a href="#">Pakistan</a> *	<a href="#">Rwanda</a>	<a href="#">Switzerland</a> *	<a href="#">Uruguay</a>
<a href="#">Bahrain</a>	<a href="#">Chile</a> *	<a href="#">European Union</a>	<a href="#">Iceland</a>	<a href="#">Kenya</a>	<a href="#">Mauritius</a>	<a href="#">Palestinian Authority</a>	<a href="#">Saudi Arabia</a>	<a href="#">Syria</a>	<a href="#">Uzbekistan</a> *
<a href="#">Barbados</a> *	<a href="#">Colombia</a>	<a href="#">Finland</a>	<a href="#">India</a> *	<a href="#">Kosovo</a>	<a href="#">Mexico</a>	<a href="#">Panama</a>	<a href="#">Serbia</a>	<a href="#">Taiwan</a>	<a href="#">Venezuela</a> *
<a href="#">Belgium</a>	<a href="#">Costa Rica</a>	<a href="#">France</a>	<a href="#">Indonesia</a>	<a href="#">Kyrgyz Republic</a> *	<a href="#">Moldova</a>	<a href="#">Paraguay</a> *	<a href="#">Singapore</a>	<a href="#">Thailand</a> *	<a href="#">Vietnam</a> *
<a href="#">Bermuda</a>	<a href="#">Curacao</a> *	<a href="#">Georgia</a>	<a href="#">Iraq</a>	<a href="#">Laos</a> *	<a href="#">Montenegro</a>	<a href="#">Peru</a>	<a href="#">Sint Maarten</a>	<a href="#">Trinidad and Tobago</a>	<a href="#">Zambia</a>

\* New jurisdiction \* Updated in today's edition

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ Albania has adopted a series of financial measures in response to the Covid-19 outbreak, including:               <ul style="list-style-type: none"> <li>▶ \$22 million additional funding for the health sector to support frontline agencies with medical supplies and financial support for medical staff.</li> <li>▶ \$100 million of Government-backed and guaranteed loans to businesses that face difficulties in paying employees' salaries.</li> <li>▶ \$58 million as a reserve fund to provide social protection related to the Covid-19 crisis for:                   <ul style="list-style-type: none"> <li>▶ vulnerable groups by doubling the unemployment benefits and social assistance payouts</li> <li>▶ small businesses/self-employed individuals that are forced to cease business activities due to the Covid-19 pandemic by paying them twice the minimum salary amount.</li> </ul> </li> <li>▶ \$18 million for defense spending for humanitarian relief and community services for vulnerable group.</li> <li>▶ \$9 million as a reserve fund for the Council of Ministers for any unforeseen emergency..</li> <li>▶ The Bank of Albania announced a temporary change in the provisioning requirements, effective from 12 March 2020 to 31 May 2020, enabling clients to ask banks and other financial institutions to defer loan installments without penalties.</li> <li>▶ On 25 March 2020, the Bank of Albania reduced interest rates by 0.5 percentage points to 0.5 percent.</li> </ul> </li> <li>▶ The government declared a state of natural disaster on 24 March 2020</li> <li>▶ Court proceedings are suspended and deadlines for indictments and appeals are deferred.</li> </ul>			<ul style="list-style-type: none"> <li>▶ The deadline to submit Financial Statements for the year 2019 and accompanying information, as required by the administrative guidelines, has been extended to 31 July 2020, from 31 March 2020.</li> <li>▶ The deadlines for taxpayers with annual turnover below ALL 14 million, have been extended to the end of 2020 for the following liabilities:               <ul style="list-style-type: none"> <li>• Payment of the income tax liability due for 2019, as declared in the income tax return for 2019, less any advance payment made</li> <li>• Advance payments of income tax for all quarters of 2020</li> </ul> </li> <li>▶ Advance payment deadlines for small taxpayers subject to the simplified profit tax have been extended for the first and second quarter to 20 October 2020 and for the third and fourth quarter to 20 December 2020.</li> </ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="http://financa.gov.al/njoftim-per-shtyp-2/">http://financa.gov.al/njoftim-per-shtyp-2/</a></li> <li>▶ <a href="https://www.tatime.gov.al/c/8/45/lajme">https://www.tatime.gov.al/c/8/45/lajme</a></li> <li>▶ <a href="https://www.bankofalbania.org/Press/Press_Releases/Measures_undertaken_by_the_Bank_of_Albania_on_the_rescheduling_the_installments_of_loans.html">https://www.bankofalbania.org/Press/Press_Releases/Measures_undertaken_by_the_Bank_of_Albania_on_the_rescheduling_the_installments_of_loans.html</a></li> <li>▶ <a href="https://www.bankofalbania.org/Press/Press_Releases/Monetary_Policy_Decisions_25_3_2020.html">https://www.bankofalbania.org/Press/Press_Releases/Monetary_Policy_Decisions_25_3_2020.html</a></li> </ul>

## Overview

- On 2 April 2020, the Directorate General of Taxes issued a number of extra tax measures
  - Postponement of the monthly tax return submission of February and March and the payment of related monthly taxes until 20 May 2020, for taxpayers other than taxpayers registered at the Directorate of Large Companies (DGE).
  - Postponement of the first Corporate Income Tax (CIT) installment until 20 June 2020.
  - Postponement of FY2019 annual tax return for taxpayers registered at tax inspections and centers until 30 June 2020 and CIT payment should be done within 20 days following the annual tax return.
  - Postponement of FY2019 annual tax return for taxpayers registered at the DGE until 31 May 2020 and CIT payment should be done within 20 days following the annual tax return.
  - Taxpayers facing a difficult financial situation can negotiate with the tax authorities the payment schedule of their tax debts.
  - Suspension of the new measure of article 15 of the Finance Act for 2020 related to the taxation of the profits non-allocated related to 2016.

## Personal tax

- Postponement of the monthly tax return G n° 50 submission of February and March and the remittance of their related monthly taxes (notably Personal Income Tax) until 20 May 2020 for taxpayers other than those registered at the DGE.

## VAT, GST and trade

- Postponement of the monthly tax return G n° 50 submission of February and March and the remittance of their related monthly taxes (notably VAT and TAP, etc.) until 20 May 2020 for taxpayers other than those registered at the DGE.

## Business tax

- Postponement of the monthly tax return G n° 50 submission of February and March and the remittance of their related monthly taxes until 20 May 2020 for taxpayers other than those registered at the DGE.
- Postponement of the payment of the first CIT installment until 20 June 2020 at the latest.
- For taxpayers registered at tax inspections and centers: postponement of the annual tax return submission of FY2019 until 30 June 2020. The payment of the CIT should be settled within 20 days following the submission of the annual tax return.
- For taxpayers registered at the DGE: postponement of the annual tax return submission of FY2019 until 31 May 2020. The payment of the CIT should be settled within 20 days following the submission of the annual tax return.

## Links and resources

**Government materials**  
<https://www.mfdgi.gov.dz/index.php/8-contenu-en-francais/actualites/1629-mesures-fiscales-de-soutien-aux-entreprises-covid-19>

## Overview

- ▶ Argentina has issued emergency measures to address the economic impact of the Covid-19 pandemic.
- ▶ Suspension by the Federal tax authority between 18 March and 12 April 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 12 April 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 April 12, 2020 on all administrative procedures ruled by Law No. 19,549.
- ▶ Prohibition for 60 days from 31 March 2020 of dismissals of employees without cause, for lack or reduction of workload or force majeure.
- ▶ Prohibition for 60 days since 31 March 2020 of suspension of employees for lack or reduction of workload or force majeure (with certain exceptions).

## 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 C-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.
- ▶ Reduction of up to 95% of Social Security contributions accrued in April 2020 for companies engaged in non-essential activities, with no more than 60 employees.
- ▶ Compensatory allowance (up to ARS 16,875 -approx. USD 260-) for April 2020, paid by the Argentine Government to unionized employees of companies engaged in non-essential activities with no more than 100 employees.
- ▶ If the company has more than 100 employees, health emergency age would be applicable under the REPRO (productive recovery program) (ARS 6,000 to ARS 10,000 (approx. 92 to USD 153)) for April 2020, paid by the Argentine government to unionized employees of employers engaged in non-essential activities.

## 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"><li>▶ 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.</li><li>▶ By refinancing, the legislator aims to completely neutralize the risk of currency volatility and partially decrease interest expenses.</li><li>▶ Finally, by subsidizing the interest, the legislator aims to substantially reduce interest expenses incurred by businesses.</li></ul> <p>Only one of the above three forms of assistances may be applied per business.</p>				<p>Government materials</p> <p><a href="https://www.gov.am/am/news/item/14159/">https://www.gov.am/am/news/item/14159/</a></p>



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Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ <b>Central bank of Aruba - Monetary measures</b> <ul style="list-style-type: none"> <li>▶ The reserve requirement in effect for commercial banks has been reduced by one percentage point to 11%.</li> </ul> </li>   <li>▶ <b>Central bank of Aruba - Prudential measures</b> <ul style="list-style-type: none"> <li>▶ The minimum Capital Adequacy Ratio has been reduced from 16% to 14%.</li> <li>▶ The Prudential Liquidity Ratio has been reduced from 18% to 15%.</li> <li>▶ The maximum allowed Loan-to-Deposit Ratio has been increased from 80% to 85%.</li> </ul> </li> </ul>	<p><b>Current payment arrangements - Extension</b></p> <ul style="list-style-type: none"> <li>▶ Taxpayers who have a payment arrangement in place with the Tax Collector will receive an extension of three months as of April 2020 for the payments thereof.</li> </ul> <p><b>Penalties for (partially) non or late payment of certain monthly taxes - Suspension</b></p> <ul style="list-style-type: none"> <li>▶ No omission penalties (in Dutch: 'verzuimboete') will be imposed on taxpayers who fail to pay or are late with payment of their (monthly) taxes for the months April, May and June 2020.</li> </ul> <p><b>Voluntary disclosure - No offence penalty</b></p> <ul style="list-style-type: none"> <li>▶ No offence penalty (in Dutch: 'vergrijpboete') will be imposed on a taxpayer or withholding agent who voluntarily rectifies previous inaccuracies (e.g. non or incorrect filings) with the Tax Authorities. This does not apply to omission penalties (in Dutch: 'verzuimboete')</li> </ul>	<ul style="list-style-type: none"> <li>▶ Items 1-7 under personal tax also apply to this section in addition to the following measures:</li>   <li>▶ Turnover taxes (BBO/BAVP/ BAZV) - Extension of payment for the month(s) of April, May and June 2020 for qualifying businesses.</li> </ul> <p>The (cumulative) requirements are:</p> <ul style="list-style-type: none"> <li>▶ A request must be submitted</li> <li>▶ This relief is applicable to businesses that are affected by the restrictive Covid-19 measures and that conduct activities related to the tourism industry, such as hotels, lodging, casinos, transport &amp; tour operators, bars &amp; restaurants, cafés, security operations, landscaping operations, beauty salons, travel agencies, car rental, watersports, carwashes, perfumeries, jewelers, clothing shops, shoe shops, souvenir shops, laundries, dry cleaners, ground handlers, employment agencies and construction companies. This is a non-exhaustive list of possible qualifying businesses.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Items 1-7 under personal tax also apply to this section in addition to the following measures:</li>   <li>▶ <b>Tourist Levy, Gaming Tax, Environmental Levy ("BBV") and the Car- and Motorcycle Rental Levy ("BBVAM") - Extension of payment</b> <ul style="list-style-type: none"> <li>▶ The same extension of payment applies for these taxes as the extension of payment for turnover taxes</li> <li>▶ This extension of payment does not apply to payroll taxes.</li> </ul> </li>   <li>▶ <b>Profit tax return 2019 - Extension filing and payment</b> All profit taxpayers, except financial institutions, will receive an extension of six months for filing and payment of the 2019 profit tax return. The deadline for taxpayers with a financial year of calendar year 2019 will be extended to 30 November 2020.</li> </ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.cbaruba.org/cba/readBlob.do?id=6313">https://www.cbaruba.org/cba/readBlob.do?id=6313</a></li> <li>▶ <a href="https://www.impuesto.aw/fiscaal-noodplan-2020">https://www.impuesto.aw/fiscaal-noodplan-2020</a></li> <li>▶ <a href="https://www.impuesto.aw/fiscaal-noodplan-2020-vragen-van-belastingadviseurs-beantwoord">https://www.impuesto.aw/fiscaal-noodplan-2020-vragen-van-belastingadviseurs-beantwoord</a></li> <li>▶ <a href="https://www.cbaruba.org/cba/readBlob.do?id=6355">https://www.cbaruba.org/cba/readBlob.do?id=6355</a></li> </ul>

## Overview (continued)

- ▶ **Central bank of Aruba - Foreign exchange measures**
- ▶ As of 17 March 2020, no new foreign exchange licenses that relate to outgoing capital transactions, including dividend declarations, will be granted. This includes requests for outgoing capital- and dividend transactions that have been submitted to the CBA but have not yet been processed. As a result of this measure, as of 17 March 2020, citizens of Aruba can no longer conduct outgoing capital transactions (including dividend payments) regardless of the amount. All foreign exchange transaction licenses - and dividend declarations - that have been previously granted by the CBA remain in effect, including for loan and interest payments

## Personal tax

- ▶ **Flexible payment arrangements**
- ▶ Affected taxpayers will be granted easier access to flexible payment arrangements for all relevant taxes and premiums, such as income tax, social insurance payments (AOV/AWW/AZV), profit tax, ground tax and land lease tax. This facility is not subject to a maximum revenue limitation. The payment arrangements are:

Taxpayer	Max. period (in months)	Min. monthly payment
Individuals	24	AWG. 100
Entrepreneurs	24	AWG. 500
Pensioners (60+)	36	AWG. 75

- ▶ **Outstanding (tax) liabilities - Discount for immediate payment**
- ▶ Taxpayers can get the following discounts if they pay old (tax) liabilities at once:

Tax assessment date	Discount
≤ 31/12/2010	75 %
1/1/2011 - 31/12/2014	50 %
1 /1/2015 - 31/12/2016	30 %
1/1/2017 - 31/12/2019	10 %

## VAT, GST and trade

- ▶ In the case of monthly revenues of less than Afl. 1,000,000 (approx. USD 559,000) for the months of April, May and June 2020:
- ▶ If the taxpayer demonstrates cash flow problems to the Tax Authorities through a simple numerical report and/or a copy of the existing cash position and a cashflow prognosis (prepared by the taxpayer, its bank or its accountant) for the coming months;
- ▶ And if the concerned tax returns should be filed timely;
- ▶ The relevant taxes may be paid in a maximum of six (6) terms when the activities are resumed.
- ▶ This extension does not automatically apply to the taxing period of March 2020. However, an individual substantiated request can be submitted to the Tax Collector for their consideration.

## Business tax

- ▶ Due to this general extension, the 2019 preliminary profit tax return should in principle no longer be filed. However, taxpayers may still at their discretion file and pay the preliminary return within the statutory due date.
- ▶ **Employer's contribution AOV/AWW - Payment relief**  
Qualifying businesses are not required to pay/remittance the employer's contribution of the general old age insurance ("AOV/AWW") premium for the month(s) of April, May and June 2020. The (cumulative) requirements are:
  - ▶ Applies to qualifying businesses for purposes of the extension with respect to turnover taxes mentioned under item 2 *VAT, GST and trade*.
  - ▶ A 'payroll summary' should be filed together with the relevant wage tax and social premiums returns. The payroll summary includes a summary of the totals from the payroll system of the relevant month, including the gross wages, the wage tax withheld, the employee and (continues)

## Overview (continued)

- ▶ All current transactions (e.g. payments related to import of goods, repayment of loans, payment of wages and pensions, payment for services) can continue without a special foreign exchange license.
- ▶ As of 27 March 2020 until further notice, the general foreign exchange license for outgoing capital transactions to notified foreign bank accounts and notified intercompany accounts has been suspended. As a result of this measure, companies that have notified their foreign accounts (Foreign Bank Account 'FBA' and Foreign Intercompany Account 'FIA') and that are included on the 'Quarterly list of compliant holders of FBAs and FIAs are prohibited to perform any outgoing capital transaction.

## Personal tax

- ▶ **Voluntary disclosure - No offence penalty**
- ▶ No offence penalty (in Dutch: '*vergrijpboete*') will be imposed to a taxpayer or withholding agent who voluntarily rectifies previous inaccuracies (e.g., non or incorrect filings) with the Tax Authorities. This does not apply to omission penalties (in Dutch: '*verzuimboete*')
- ▶ **Forced collection procedure - Suspension**
- ▶ All forced collections (i.e., seizures) will be postponed for a period of three (3) months as of April 2020. The debt collector will continue however to issue final demand and notices (in Dutch: '*dwangschrift*') during this period.
- ▶ **Reduced income tax rate on dividends - Extension to foreign companies**
- ▶ Based on currently applicable beneficial policy, a reduced income tax rate of 10% (instead of 25%) is under condition applicable on dividends distributed by Aruban companies to Aruban resident individual shareholders. Based on the Tax emergency plan 2020, the reduced rate of 10% will also apply under the same conditions on dividends distributed to Aruban resident individual shareholders by foreign companies from retained earnings of financial years ending ultimately on 31 December 2019. The dividend must be distributed in the calendar year 2020.
- ▶ No request is necessary to be able to apply the policy. The Tax Authorities will review the applicability when the income tax return of the individual who received the dividend has been filed. Furthermore, the Ministerial decree in which the policy is regulated is expected to be adjusted to reflect the exact requirements.

## VAT, GST and trade

- ▶ **Online filing and payment**
- ▶ Taxpayers can only file their (monthly) tax returns, objection letters and other documents online. The tax authority is currently developing the possibility to submit correspondences via its website. This system will soon be made available. In the meantime, the Tax Authorities will be lenient with the statutory deadlines.

## Business tax

- ▶ (continued) employer's premiums AOV/AWW and AZV. This overview can be extracted from the taxpayer's payroll system.
- ▶ The Tax Authorities will soon clarify how the discount should be reported and how the payroll summary should be submitted. Furthermore, this relief is a discount on the remittance of the AOV/AWW. The statutory calculated AOV/AWW premium (total: 15.5%) should be reflected in the payroll administration, the annual wage statement and on the collective wage statement.
- ▶ **Tax audits - Suspension**
- ▶ Tax audits and field audits (in Dutch: '*waarneming ter plaatse*' or '*WTP*') are suspended until 30 June 2020, except in the case of tax fraud.
- ▶ **Online filing and payment**
- ▶ Refer to respective item under VAT, GST and trade.

## Overview

### Federal Government

- ▶ On 23 March 2020, Parliament passed approximately A\$86b in previously announced economic stimulus measures. The associated legislation was enacted on 24 March 2020.
- ▶ On 8 April 2020, Parliament passed legislation for the A\$130b JobKeeper Payments subsidy scheme. The legislation was enacted on 9 April 2020.
- ▶ 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: A\$2,500 credit for small business users in Western Australia.

### Foreign Investment Review Board

- ▶ Foreign investments into Australia (where the investor will acquire a 20% ownership interest or increase a pre-existing ownership interest of 20% or more) 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 and industry sectors including tourism, agriculture and education on a case-by-case basis 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 Payments subsidy scheme

- ▶ The JobKeeper Payments subsidy provides a A\$1,500 payment every two weeks per retained employee to employers. Eligible employers include businesses with aggregated annual turnover (global turnover) <A\$1b where their GST turnover has fallen by 30%, or 50% for businesses with aggregated annual turnover >A\$1b. The turnover of a business (as calculated for GST purposes) must have fallen in the relevant month or quarter (depending on the Business Activity Statement reporting period) relative to a year earlier. The subsidy is for six months and will be available from 30 March 2020 to 27 September 2020.

### 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 Federal 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. Deferral of payment obligations for large withholders will only be granted in exceptional circumstances.
- ▶ Separate guidance has been issued in relation to administration relief (such as flexible payment terms / amounts) available to taxpayers who have or wish to participate in the Superannuation Guarantee amnesty.
- ▶ 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. 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 <A\$20m.

### State payroll tax measures

- ▶ **Australian Capital Territory:** Interest free deferral for FY20/21 until 1 July 2022 for businesses with payroll <A\$10m and waiver for the hospitality, creative arts, entertainment industries and other impacted businesses from 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 filing 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.

## Business tax (continued)

- ▶ **Northern Territory:** Exemption for hiring Territory employees extended to 30 June 2021. Further, the following payroll tax relief may be available for businesses that comply with the National Cabinet Code of Conduct for commercial tenancies: Deferral for 6 months for businesses with payroll >A\$7.5m where turnover has reduced by at least 50%; or waiver for 6 months for businesses with payroll <A\$7.5m where turnover has reduced by at least 30%.
- ▶ **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 (on application).  
Businesses with payroll up to A\$4m get waiver for 6 months (on application).
- ▶ **Tasmania:** Waiver for the entire financial year FY19/20 for businesses in the hospitality, tourism, seafood and export sectors.  
Waiver for the entire financial year FY19/20 for negatively impacted businesses with payroll <A\$5m (on application).  
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 <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](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>

**Tax Alert on JobKeeper legislation:**

<https://asia-pac.ey-vx.com/287/14498/landing-pages/ey-tax-alert---australian-jobkeeper-payments-wage-subsidy-law.pdf>

### Federal Government materials

#### Legislation

[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r6521](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6521)

[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r6533](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6533)

[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r6535](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6535)

**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 tax

- ▶ 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.
- ▶ On 3 April 2020, the Austrian government presented details of the EUR 15 billion emergency fund for companies. The upper limit for aid loans from this fund is three months' turnover or EUR 120 million, for which the state is liable for up to 90%. The package also includes a non-repayable grant. Applications are possible as of 8 April 2020. Further information by the Austrian Ministry of Finance will be provided in the course of the week 6 April 2020 to 12 April 2020. In addition, it was announced that a fixed costs subsidy will be granted by AWS (application starts on 15 April 2020).
- ▶ On 3 April 2020 it was additionally announced by the Austrian government that it is planned that all companies that take advantage of government aid funds have to consider a one-year ban on dividend distributions and that manager bonuses must be reduced by 50% compared to the previous year. Further developments in this context should be monitored carefully.
- ▶ On 3 April 2020, the Austrian government adopted the third, fourth and fifth Covid-19 Act, with the following amendments (among others):
  - ▶ 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 30 April 2020 if started before or after 16 March 2020 and will start again from new beginning with 1 May 2020.
  - ▶ Contributions from the crisis management fund, the hardship fund and the Corona crisis fund as well as comparable contributions from the federal states, municipalities and statutory interest groups that are made to manage the Corona crisis are tax-exempt (with an expense reduction).
  - ▶ The deadline for the submission of annual financial statements will be extended from 9 to 12 months.
  - ▶ Covid-19 bonus payments of up to EUR 3,000 are tax-exempt. A bonus or allowance granted to employees for their work during the Corona crisis should be tax-exempt up to an amount of EUR 3,000. Those bonuses must qualify as additional payments that are made exclusively for this purpose and have not been granted previously.

## Personal tax

- ▶ 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 2 billion will be handled by the Austrian Chamber of Commerce. Applications are possible until 31 December 2020.



## 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 may 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](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](https://www.parlament.gv.at/PAKT/VHG/XXVII/A/A_00397/index.shtml)

## Overview

- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licences, visas, permits to government entities/statutory bodies/regulators have been suspended (applies to tax regimes below).
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and fourteen (14) days thereafter, requirements to file documents or declarations/pay fees subject to the Companies Act have been suspended.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and fourteen (14) days thereafter, requirements to file documents or declarations/pay fees subject to the International Business Companies Act have been suspended.
- ▶ The Government has designed a tax credit system which allows businesses to retain the funds which would have been earmarked for Business Licence fees, and VAT Receipts collected (up to \$200,000 per month for up to three (3) months. Additionally, half of this amount would be translated to a temporary tax credit (up to \$100,000 per month), usable for payroll expenses only, repayment of which will begin in January 2021 for 12 months. Excluded industries: retail or wholesale grocery; hotel and resorts; regulated financial and insurance entities; regulated telecommunications businesses; and, gaming businesses.
- ▶ The Central Bank of The Bahamas will work with commercial banks for loan payments deferment plan. Tourism-specific relief (self-employed only) a temporary programme that will provide weekly payments of \$200 to persons who meet the eligibility criteria, for a period of up to eight weeks. An eligible person can receive up to \$1,600 over the eight-week period,
- ▶ Emergency relief for self-employed; they will receive a benefit payment of \$200 per week for the length of the quarantine period which at present will go at least until 8 April 2020.
- ▶ Small business loans: "the Small Business Development Centre (SBDC) rolled out the Government's \$20 million Covid-19 response, targeted to provide loans to small businesses, ranging from \$5,000 to \$300,000. These loans are earmarked for operating costs.
- ▶ Social Services to provide Bahamians with social benefits stemming from the impact of Covid-19 on the community. \$4M budget for food and social assistance
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and sixty (60) days thereafter, requirements to pay insurance premiums have been suspended (this includes health, medical, and life insurance policies); and,
- ▶ Insurance claims made during this time shall still be honoured, while allowing the insurer to only deduct from the claim payment, the amount owed in relation to the unpaid premium as well as the deductible.

## Personal tax

- ▶ No tax exemption/suspension granted for National Insurance Contributions. NI Contribution forms and payments still due on 15th of each month.

## VAT, GST and trade

- ▶ No tax exemption/suspension granted for VAT filings and payments. VAT Returns and payments will still be due by the 21st of each month.
- ▶ No tax exemption/suspension granted for payment of customs duties.

## Business tax

- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application) and pay fees/renew licences, for Business license are suspended.
- ▶ No tax exemption/suspension granted for real property tax payments.
- ▶ Tourism-specific relief (self-employed only) a temporary programme that will provide weekly payments of \$200 to persons who meet the eligibility criteria, for a period of up to eight weeks. An eligible person can receive up to \$1,600 over the eight-week period,
- ▶ Emergency relief for self-employed; they will receive a benefit payment of \$200 per week for the length of the quarantine period which at present will go at least until April 8.
- ▶ Small business loans: "the Small Business Development Centre (SBDC) rolled out the Government's \$20 million Covid-19 response, targeted to provide loans to small businesses, ranging from \$5,000 to \$300,000. These loans are earmarked for operating costs.
- ▶ Social Services to provide Bahamians with social benefits stemming from the impact of Covid-19 on the community. \$4M budget for food and social assistance.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licences, visas, permits to government entities/statutory bodies/regulators have been suspended.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licences, visas, permits to government entities/statutory bodies/regulators have been suspended.

## Links and resources

### Government materials

<https://www.bahamas.gov.bs/wps/wcm/connect/a6e8fad8-f838-448c-83c0-2ff86e9d460d/EmergencyPowers%28COVID19%29%28SpecialProvisions%29Order2020%2830March2020%29.pdf?MOD=AJPERES>

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Government of Bahrain announced a BHD4.3bn economic stimulus package to support the country's citizens and private sector.
- On 17 March 2020, ministers announced an eight-point economic package that commits the government to:
- ▶ 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.

## Personal tax

## VAT, GST and trade

## Business tax

## Links and resources

### Government materials

- ▶ <https://www.bna.bh/en/GovernmentofBahrainannouncesBHD4.3billioneconomicstimuluspackage.aspx?cms=q8FmFJgiscL2fwlzON1%2BDp6Z7IZ3o6%2BzWIZ1S8%2BYrsU%3D>

## 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.
- ▶ The Barbados Light and Power Company and the Barbados National Oil Company have been instructed to lock in low oil prices, with the aim of securing a two-year supply.
- ▶ Regulations for medical cannabis will be expedited.
- ▶ Government will expedite certain infrastructural projects.

### Barbados Financial Services Commission Measures

- ▶ On-site prudential examinations will be impacted by the Covid-19 disruption. Adjustments may include undertaking such reviews through electronic and conferencing facilities where possible.
- ▶ Certain aspects of the Anti-money laundering/Counter terrorism financing onsite inspection will be conducted remotely via video conferencing including interviews, sampling where possible and remote walk-throughs of procedures.
- ▶ Where the submission of an application, request or filing must be accompanied by a fee, such fees must be submitted either by wire transfer or by direct deposit to the Commission's account. The efficient processing of fees and return of a receipt is dependent on the submission of information to enable identification of the payer and the entities for which the payment is being made. Entities are, therefore, strongly encouraged to utilize a fee confirmation form to evidence the payment of fees.
- ▶ Specific forms of relief from certain regulatory obligations are available, e.g., filing and other deadlines, in respect of circumstances that are beyond the taxpayer's control. Proactive, timely outreach and engagement with the Commission is encouraged. Requests will generally be considered on a case-by-case basis and should be accompanied by information to support that the relief required is related to Covid-19.

## Overview (continued)

### Barbados Financial Services Commission - regulatory relief

- ▶ A regulated entity who is unable to complete its audit and file audited financial statements for its latest financial year end as a result of being negatively impacted by Covid-19, may file said statements, within a further period of up to three months from its original filing deadline without regulatory action. In addition, fees associated with such late filings will not be applied for the relevant period. This relief is applicable to entities whose latest financial year ends prior to 30 September 2020.
- ▶ A regulated entity that is required to distribute or publish audited financial statements within a specified period of the financial year end may distribute or publish such statements within a further period of up to three months from the original deadline for distribution or publication, without regulatory action. This relief applies for entities whose latest financial year ends prior to 30 September 2020.
- ▶ A credit union whose ability to conduct AGMs in respect of their latest financial year end and has been impacted by the Covid-19 disruption may postpone AGMs for a period of up to three months from their financial year end without regulatory action. This applies in respect of credit unions whose latest financial year ends prior to 30 September 2020.
- ▶ Entities are encouraged to file unaudited financial statements or financial returns including quarterly and annual financial statements in accordance with the requisite deadlines. Entities who are unable to file the unaudited March 2020 quarterly financial statements or returns by the deadline 30 April 2020 as a result of the Covid-19 disruption, may complete their filings on or before May 30, 2020 without regulatory action. An entity seeking a further period of time for the filing of the March 2020 statements or returns; or an extension in respect of other unaudited financial statements or returns is required to submit an application outlining the reasons for the extension request and include supporting information.
- ▶ The Commission will continue to consider requests for extensions of time for requirements and circumstances not specified in this notice on a case-by-case basis.

### Economic Substance

- ▶ Where there are, or will be, adjustments to operations as a result of travel restrictions, for example, by hosting virtual meetings or conference calls where persons who would normally travel to Barbados to be physically present for board meetings and who are avoiding travel, or are self-isolating such adjusted practices would not automatically be regarded as failing to meet the Economic Substance Test.
- ▶ Entities that have adjusted their operating procedures in response to Covid-19 should clearly record this in their books and records, and particularly in board minutes for meetings, when directors have not been physically present due to implementation of such measures.
- ▶ Further, entities are required to notify the Financial Services Commission (as applicable) and the Director of International Business, in writing, whenever circumstances arise as outlined above.

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ Support for temporary unemployment benefits due to Covid-19 (under conditions)</li> <li>▶ Deferral of payment of social security liabilities for Q1 and Q2 2020 available upon request</li> <li>▶ Cash incentives set out by Belgian Regional authorities available to companies impacted by Covid-19</li> <li>▶ National Labor Council concludes agreement to extend the possibility to introduce temporary unemployment for white collar workers to all Belgian companies</li> </ul>	<ul style="list-style-type: none"> <li>▶ Upon request, payment plan, waiver of late payment interest, and waiver of penalties for non-payment is available (conditions need to be met)</li> <li>▶ Deferral of payment and filing of returns for wage WHT</li> </ul>	<ul style="list-style-type: none"> <li>▶ Upon request, payment plan, waiver of late payment interest and waiver of penalties for non-payment is available (conditions need to be met)</li> </ul> <p><i>Periodic VAT returns</i></p> <ul style="list-style-type: none"> <li>▶ Return for February 2020, normal deadline being 20 March 2020: deadline extended until 6 April 2020.</li> <li>▶ Return for March 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020.</li> <li>▶ Return for the first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020.</li> </ul> <p><i>Payment of VAT</i></p> <ul style="list-style-type: none"> <li>▶ An automatic deferral of payment of 2 months for VAT without having to pay fines or interest applies. This deferral will apply to:</li> <li>▶ VAT payment for monthly return - February 2020, normal deadline being 20 March 2020: deadline extended until 20 May 2020</li> <li>▶ VAT payment for monthly return - March 2020, normal deadline 20 April 2020: deadline extended until 20 June 2020</li> <li>▶ VAT payment for monthly return - first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 20 June 2020</li> <li>▶ In addition to this automatic deferral of payment, taxpayers can also apply for instalment payments of the debts relating to VAT</li> </ul>	<ul style="list-style-type: none"> <li>▶ Upon request, payment plan, waiver of late payment interest, and waiver of penalties for non-payment is available (conditions need to be met)</li> <li>▶ 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</li> <li>▶ Deferral of payment of property taxes</li> <li>▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-Luxembourg tax treaty</li> <li>▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-France tax treaty</li> <li>▶ Fast-track procedure for ruling request (with template) for indemnification of home office costs in relation to Covid-19</li> <li>▶ Delay for tax audits or remote tax audits</li> </ul>	<p><b>EY materials</b></p> <p><a href="https://www.ey.com/en_be/covid-19">https://www.ey.com/en_be/covid-19</a></p> <p><b>Government materials</b></p> <p><a href="https://finances.belgium.be/fr/entreprises/mesures-de-soutien-dans-le-cadre-du-coronavirus-covid-19">https://finances.belgium.be/fr/entreprises/mesures-de-soutien-dans-le-cadre-du-coronavirus-covid-19</a></p> <p><a href="https://finances.belgium.be/fr/Actualites/convention-belgo-luxembourgeoise-preventive-de-la-double-imposition-mesure-exceptionnelle">https://finances.belgium.be/fr/Actualites/convention-belgo-luxembourgeoise-preventive-de-la-double-imposition-mesure-exceptionnelle</a></p> <p><a href="https://finances.belgium.be/fr/Actualites/%ef%83%98belgique-france-r%C3%A9gime-travailleurs-frontaliers---coronavirus-covid-19">https://finances.belgium.be/fr/Actualites/%ef%83%98belgique-france-r%C3%A9gime-travailleurs-frontaliers---coronavirus-covid-19</a></p> <p><a href="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">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</a></p> <p><a href="https://www.ruling.be/fr/actualites/demande-teletravail-covid-19">https://www.ruling.be/fr/actualites/demande-teletravail-covid-19</a></p> <p><a href="https://www.socialsecurity.be/site_fr/employer/applics/paymentplan/index.htm">https://www.socialsecurity.be/site_fr/employer/applics/paymentplan/index.htm</a></p> <p><a href="https://www.rsz.fgov.be/fr/employeurs-et-onss/mesures-coronavirus/report-de-paiement-des-sommes-dues-l-onss">https://www.rsz.fgov.be/fr/employeurs-et-onss/mesures-coronavirus/report-de-paiement-des-sommes-dues-l-onss</a></p> <p><a href="https://finances.belgium.be/fr/Actualites/coronavirus-report-des-contr%C3%B4les-sur-place-non-essentiels">https://finances.belgium.be/fr/Actualites/coronavirus-report-des-contr%C3%B4les-sur-place-non-essentiels</a></p>

## Overview

- ▶ The Government is planning on introducing a number of economic stimulus packages to benefit residents impacted by the Covid-19 pandemic. *Details to be released at a later date.*
- ▶ Banks are implementing measures to provide financial relief to clients, including automatic payment deferrals on residential mortgages and personal loans in good standing.
- ▶ Emergency supplementary funding, recently approved by Cabinet, will provide temporary food assistance to Bermudian residents due to the impact of Covid-19.

## Personal tax

- ▶ All filings and registrations may still be conducted electronically through the Bermuda Registrar of Companies. However, processing times may be delayed.

## VAT, GST and trade

## Business tax

- ▶ The Bermuda Minister of Finance has extended the deadlines for Bermuda CRS Reporting Financial Institutions for the period ended 31 December 2019 to 15 July 2020.
- ▶ The Bermuda Minister of Finance has extended the deadlines for Bermuda Country-by-Country Reporting entities for periods ending between 26 March 2019 through 31 May 2019 are to be submitted no later than 31 May 2020. The submission deadlines for reporting periods ending after 31 May 2019 have not been changed.
- ▶ Where meetings or other similar compliance measures are not possible due to necessary travel or quarantine restrictions, this may be taken into account.
- ▶ As with all information evidencing compliance, entities should keep careful records of all such circumstances, and should continue in good faith to ensure their ongoing compliance with the economic substance requirements as set out in the legislation and Guidance Notes

## Links and resources

### Government materials

<http://coronavirus.bernews.com/covid-19-finances/>

<https://www.gov.bm/common-reporting-standard-country-country-reporting>

<https://www.bda.bm/office-of-the-registrar-of-companies-industry-notice-economic-substance/>



## Overview

- ▶ The BES-islands are participating as much as possible in the measures announced by the Dutch Government to support companies and employees in the European Netherlands
- ▶ Emergency relief measures are in principle applicable for a period of three months
- ▶ Upon request (and subject to conditions), compensation of a maximum of 80% of maximum day wage for businesses that expect a minimum of 20% decrease of turnover as of 13 March 2020
- ▶ Emergency relief for self-employed entrepreneurs and individuals that are unemployed as a result of Covid-19 amounting to a maximum of 80% of the minimum wage
- ▶ Additional budget has been made available to provide additional relief subject to each BES-island policy
- ▶ Relief payment in the form of a gift to certain businesses that were affected by the government measures to combat the corona virus, is currently being developed
- ▶ Expanded possibility for financial institutions and entrepreneurs to receive government guarantees
- ▶ Qualifying entrepreneurs have the possibility to receive micro financing and through this financing are granted a postponement of the repayment obligation for a maximum period of 6 months, whereby an interest discount is also offered during this period

## Personal tax

- ▶ Special deferral of payment upon request for all entrepreneurs and private individuals who are no longer able to fulfill their obligations as a result of measures taken to combat the corona virus.

## VAT, GST and trade

- ▶ Special deferral of payment upon request for all entrepreneurs and private individuals who are no longer able to fulfill their obligations as a result of measures taken to combat Covid-19

## Business tax

- ▶ Special deferral of payment upon request for all entrepreneurs and private individuals who are no longer able to fulfill their obligations as a result of measures taken to combat Covid-19

## Links and resources

### Government materials

<https://www.belastingdienst-cn.nl/actueel/nieuws/2020/maart/25/belastingdienst-cn-met-bijzonder-uitstel-van-betaling>

<https://www.rijksoverheid.nl/documenten/kamerstukken/2020/03/25/kamerbrief-effecten-corona-op-caribische-delen-rijk>

## Overview

- ▶ Through the Supreme Decrees No. 4196 and No. 4198, the Bolivian government granted some relief benefits to the contributors
- ▶ The implementation of these Supreme Decrees is regulated by the Administrative Resolution N° 1020000000061, of 27 March 2020, issued by the Revenue Authority.

## Personal tax

## VAT, GST and trade

- ▶ Suspension of February and March tax return filing and payment deadlines, until May of 2020.
- ▶ Suspension of payment of February and March quotas (in case of subscribing a payment plan for any tax debt) until 30 April of 2020.
- ▶ Suspension of VAT reimbursement request for export activities until 30 April of 2020.
- ▶ Suspension of requests of Credit Notes Certificates until 30 April 2020.
- ▶ Suspension of formal duties (i.e. purchases and sales books) of February and March, until 11 May 2020.
- ▶ Decrease of Transaction Tax (TT 3%) base for next three months (April, May and June), by taking out the VAT amount included in the final price of a transaction (less 13%).

## Business tax

- ▶ Suspension of CIT tax return filing and payment until 29 May 2020, including financial statements, annual memory, complementary tax information and transfer pricing report.
- ▶ FY19 CIT payment deferral until 29 May 2020
- ▶ Additionally, contributors can pay FY19 CIT in three monthly payments. However, 50% of the total CIT must be paid by June on 2020.
- ▶ Donations to hospitals (until 10% of FY19 CIT) made until 31 December 2020 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>
- ▶ <https://www.impuestos.gob.bo/ckeditor/plugins/imageuploader/uploads/333043b1c4.pdf>

# Bosnia and Herzegovina

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

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[Return to jurisdiction list](#)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"><li>▶ The Government of Federation of Bosnia and Herzegovina (FBiH) has adopted a Program for stabilization and remediation of the coronavirus pandemic effects. These measures include 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.</li><li>▶ 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.</li><li>▶ 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.</li><li>▶ 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.</li></ul>	<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ 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.</li></ul>		<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ 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.</li></ul>	<p><b>Government materials</b> (Bosnian language only)</p> <ul style="list-style-type: none"><li>▶ <a href="http://kfbih.com/vijesti-vezane-za-korona-virus">http://kfbih.com/vijesti-vezane-za-korona-virus</a></li><li>▶ <a href="http://fbihvlada.gov.ba/bosanski/aktue/ino_v2.php?akt_id=8437">http://fbihvlada.gov.ba/bosanski/aktue/ino_v2.php?akt_id=8437</a></li><li>▶ <a href="https://komorars.ba/prijedlog-mjera-podrske-privredi-sa-ciljem-ublazavanja-posljedica-uticaja-virusa-korona-na-privredu-republike-srpske/">https://komorars.ba/prijedlog-mjera-podrske-privredi-sa-ciljem-ublazavanja-posljedica-uticaja-virusa-korona-na-privredu-republike-srpske/</a></li><li>▶ <a href="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/stabsjednica220320.aspx</a></li><li>▶ <a href="https://www.vladars.net/sr-SP-Cyrl/Vlada/Premijer/Media/Vijesti/Pages/pres16032020.aspx">https://www.vladars.net/sr-SP-Cyrl/Vlada/Premijer/Media/Vijesti/Pages/pres16032020.aspx</a></li><li>▶ <a href="http://www.pufbih.ba/v1/novosti/1752/rok-za-podnoenje-poreznih-prijava-se-produava-do-15042020-godine">http://www.pufbih.ba/v1/novosti/1752/rok-za-podnoenje-poreznih-prijava-se-produava-do-15042020-godine</a></li><li>▶ <a href="http://poreskaupravar.org/SiteLat/Novosti2.aspx?Sadrzajid=15645">http://poreskaupravar.org/SiteLat/Novosti2.aspx?Sadrzajid=15645</a></li><li>▶ <a href="https://www.fba.ba/upload/docs/saopcenje_odluke_o_moratoriju_2_bos_Uff.pdf">https://www.fba.ba/upload/docs/saopcenje_odluke_o_moratoriju_2_bos_Uff.pdf</a></li><li>▶ <a href="https://abrs.ba/lat/odluka-o-privremenim-mjerama/n52">https://abrs.ba/lat/odluka-o-privremenim-mjerama/n52</a></li></ul>

## 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 has 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 three 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 for 7 months the ordinary general meeting for public and limited liability companies (SA and LTDA) calendar year ending (31 December 2019 and 31 March 2020).
- ▶ Public companies may declare dividends prior to the general assembly. The shareholders may participate and vote at a distance. CVM Deliberation #849 - authorized digital meetings for investment funds and approval of the financial statement when the meeting cannot occur.
- ▶ CVM Deliberation #849 - Postponed:
  - ▶ For public companies with calendar year ending (31 December 2019 and 31 March 2020) :
    - ▶ Financial statement for five months starting on the end of the calendar year.
    - ▶ Annual report for six months starting on the end of the calendar year.
    - ▶ Two months the deadlines on CVM #480

## 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 the first quarter 2020
- ▶ The deadline to submit the Individual Income Tax Return has been extended for 60 days, from 30 April to 30 June 2020.
- ▶ IN #1930/20 Extended for 60 days the deadline to submit the Individual Income Tax Return, going from 30 April 2020 to 30 June 2020.
- ▶ PL 1297/20 - project of law that establishes that the income tax refund can be made to the tax payer up to 30 days after the submission of the individual income tax. (Pending of approval)
- ▶ IN #1934/20 - extended the deadline to submission and payment until 30 June 2020 of the estate and definitive country exiting declarations.

## 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; #22/20 and #28/20 and #31/2020.
- ▶ 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 and 10.302/20) 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.
  - ▶ The Brazilian IRS, announced the postponement of the contributions of PIS/COFINS and INSS (the employer's contribution to Social Security). The contributions due on April-May were postponed to August-September.
- ▶ SECEX Ordinance #16/20 and SUEXT Export Notice #08/20 establish Special Export License for products destined to counter Covid-19.
- ▶ Law #13.979/20 - Exceptional and temporary authorization for the importation of products subject to sanitary surveillance without registration with ANVISA, as long as registered by a foreign health authority and foreseen in the acts of the Ministry of Health.
- ▶ Ordinance 139: postponement of the contributions of PIS/COFINS and INSS (the employer's contribution to Social Security). The contributions due on April-May were postponed to August-September.
- ▶ IN #1932 postponed the deadline to submit the DCTF of April-June to the 15<sup>th</sup> business day of July 2020 and to submit the EFD for Pis, Cofins of April-June to the 10<sup>th</sup> business day of July 2020.
- ▶ Circular #22 extended for two months, from 1 May 2020, the deadline for review of the anti-dumping duty applied to exports to Brazil of cold line glasses.
- ▶ SECEX Ordinance #16/20 and SUEXT Export Notice #08/20 establishes Special Export License for products destined to counter Covid-19.
- ▶ Law #13.979/20 - Exceptional and temporary authorization for the importation of products subject to sanitary surveillance without registration with ANVISA, as long as registered by a foreign health authority and foreseen in the acts of the Ministry of Health.
- ▶ Ordinance 139: postponement of the contributions of PIS/COFINS and INSS (the employer's contribution to Social Security). The contributions due on March-April were postponed to July/September. Ordinance #150.
- ▶ IN #1932 postponed the deadline to submit the DCTF of April-June to the 15<sup>th</sup> business day of July.

## Business tax

- ▶ Resolution #152 - "Simples" system: Postponement of tax collection - Postponement for 6 months of the deadlines for the payment of debts with mature date originally established at April 2020, May 2020 and June 2020.
- ▶ FGTS MP #927:
  - ▶ Suspension of the due date for tax collection of FGTS related to March, April and May 2020, including housekeepers (Circular #893).
  - ▶ 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.
- ▶ MP #927: authorizes the extension of the validity of the certificate of fiscal regularity issued jointly by the RFB and the PGFN, related to federal taxes and federal past-due liability roster (dívida ativa), up to 180 days in the event of a public calamity.
- ▶ CARF Ordinance 8,112/20: the 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 29 May 2020.
- ▶ 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.
- ▶ 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 distribution of securities submitted for registration, as well as that related to the registration of issuer New deadline date is up to 180 days
- ▶ 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 # 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 30 June 2020 the deadline to submit the Defis and DASN-Simei.(Simples Regime)
- ▶ Circular/CVM/SNC/SEP/#02/2020 - 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.

## Links and resources

### Government materials

Imported products subject to Import Duty Reduction:

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

- ▶ <http://www.in.gov.br/en/web/dou/-/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](http://www.planalto.gov.br/ccivil_03/_Ato2019-2022/2020/Decreto/D10285.htm)

## Overview

- ▶ Cabinet approved the Financial Services (Exceptional Circumstances) Bill and introduced it to the House of Assembly. When passed, it will make special and urgent provision for temporary disruption in the financial services industry.
- ▶ The Government is planning on introducing a number of economic stimulus packages to benefit residents impacted by the Covid-19 pandemic. *Details to be released at a later date.*

## Personal tax

## VAT, GST and trade

## Business tax

- ▶ The British Virgin Islands (BVI) International Tax Authority (ITA) currently expects to maintain its operational framework and meet its international obligations and does not expect to make any changes to previously announced reporting deadlines.
- ▶ The ITA is monitoring the international landscape carefully and will consider any appropriate adjustments in the event that applicable international deadlines are modified.
- ▶ The ITA intends to adopt a reasonable and practical approach where entities are obliged to make adjustments to their operating practices to mitigate threats from Covid-19 and will not seek to prejudice those legal entities who temporarily adjust their normal operating practices accordingly.
- ▶ Where possible, recourse should be had to appointment of alternate directors in the BVI to meet substance requirements.
- ▶ All directors do not have to attend Board meetings in the BVI - only as many as required (given social distancing protocols, virtual meetings may be preferred).
- ▶ Only Board meetings related to CIGA need to be held in the BVI.
- ▶ Where it is not possible to hold meetings in the BVI due to the Covid-19 outbreak, entities are urged to retain documentation to support such claims.
- ▶ Individual requests should be made to the ITA for any extension of time within which to comply with notices.
- ▶ Court searches are available and will be available during the 24-hour curfew period. However, this will only be accessible to Registry staff.
- ▶ Company searches can be performed electronically through the VIRRGIN system.
- ▶ Trademark and Patent searches have been suspended during the curfew period.
- ▶ All filings and registrations can be done electronically through the VIRRGIN system
- ▶ Investment business licensees, mutual funds, and approved managers are being encouraged to comply with the upcoming deadline of 31<sup>st</sup> March 2020 for payment of annual license fees.
- ▶ FSC will not apply nor issue penalty fees for late submission until after 30 April 2020.

## Links and resources

### Government materials

<https://bvi.gov.vg/media-centre/update-economic-substance-during-covid-19-pandemic>

<https://bvi.gov.vg/media-centre/premier-fahie-bvi-financial-services-we-are-open-business%20>

## Overview

- ▶ On 13 March 2020 the Government announced a state of emergency followed by imposing strict quarantine measures on 20 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.
- ▶ Bulgarian companies that have been most severely hit by the Covid-19 measures as well as companies declaring a decrease in their income of minimum 20 % as compared to March 2019 are entitled to a salary compensation of up to 60 % of the insurable income of their employees for January 2020. The measure takes place with effect from 13 March. Applications can be submitted until 21 April 2020.
- ▶ Preferential loans for companies operating in Bulgaria - details are yet to be announced - eligibility criteria and specific conditions are in process of development.

## 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)
- ▶ Bulgarian Employment Agency: <https://www.az.government.bg/pages/iz-plashtane-na-kompensacii-za-zapazwane-na-zaetostta/> (only a Bulgarian language version is available)



## Overview

### 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

- ▶ Most Canadian provincial governments have also announced stimulus measures within their own jurisdictions including British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Prince Edward Island.

## 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.

## Links and resources

### Government materials

- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-28](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-28)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-27](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-27)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-25](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-25)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-24](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-24)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-20](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-20)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-15](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-15)
- ▶ [https://www.ey.com/en\\_ca/tax/tax-alerts/tax-alert-2020-no-14](https://www.ey.com/en_ca/tax/tax-alerts/tax-alert-2020-no-14)
- ▶ [Finance Canada Economic Response Plan](#)
- ▶ [CBSA Customs Notice 20-10](#)
- ▶ [Canada Revenue Agency COVID-19 update](#)
- ▶ [Canada Revenue Agency - collections-audits-appeals](#)

## 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.
- ▶ **Emergency Wage Subsidy Program**: This program provides a 75 percent wage subsidy of a salary on the first \$58,700 (up to \$847 a week) to eligible employers for up to 12 weeks, retroactive to March 15, 2020. It is available to companies and non-for-profit organizations of all sizes who experience a decrease in revenues of at least 30 per cent. Employers will need to reapply for the subsidy each month and the 30 percent eligibility requirement will be determined based on year-over-year revenue from the corresponding month from 2019. In applying for the subsidy, employers would be required to attest to the decline in revenue.
- ▶ **Temporary 10% wage subsidy**: This program equates to 10% of remuneration paid during the three months, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. This will benefit companies by reducing their remittances of income tax withheld on their employees' remuneration. Eligible employers include CCPCs eligible for the small business deduction, individuals, partnerships, NPOs and registered charities. For employers that are eligible for both the Canada Emergency Wage Subsidy and the 10 percent wage subsidy for a period, any benefit from the 10 per cent wage subsidy for remuneration paid in a specific period would generally reduce the amount available to be claimed under the Canada Emergency Wage Subsidy in that same period.

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

[Return to jurisdiction list](#)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
	<ul style="list-style-type: none"><li>► <b>Individuals: Climate action tax credit increase</b> - 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. In addition, the income threshold amount (at which the credit is reduced to zero) is increased for the one-time special payment.</li></ul>	<ul style="list-style-type: none"><li>► <b>Extended tax filing and payment deadlines</b> - 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.</li><li>► <b>Deferral of certain budget measures</b> - 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.</li><li>► <b>Reduction in school property tax for 2020</b> - 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.</li></ul>		<p>EY materials</p> <ul style="list-style-type: none"><li>► <a href="#">EY Tax Alert 2020 Issue No. 22</a></li></ul> <p>Government materials</p> <ul style="list-style-type: none"><li>► <a href="#">BC news release - COVID-19 Action Plan</a></li><li>► <a href="#">BC COVID-19 Action Plan - Provincial Tax Changes</a></li><li>► <a href="https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/climat-e-action/enhanced-july-2020-payment">https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/climat-e-action/enhanced-july-2020-payment</a></li></ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ <b>Deferred payment of WCB premiums</b> - 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.</li><li>▶ <b>Reduction of WCB premiums</b> - 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.</li><li>▶ <b>Deferred payment of education property tax</b> - Six-month deferral of the education property tax for businesses.</li><li>▶ <b>Cancellation of increase to education property tax</b> - Cancellation of the 3.4% increase announced in the 2020 Alberta budget in the education property tax that was scheduled for 2020-21.</li><li>▶ <b>Waiver of IFTA credentials</b> - Waiver of international fuel tax agreement (IFTA) credential requirements for Alberta carriers until 30 June 2020.</li><li>▶ <b>Extended tourism levy payment deadline</b> - Beginning 27 March 2020, tourist levy payments by hotels and other lodging providers deferred until 31 August 2020, without interest or penalties.</li></ul>	<ul style="list-style-type: none"><li>▶ <b>Extended income tax payment deadline</b> - 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)</li><li>▶ <b>Tax audits and collections</b> - Modification of the provincial corporate income tax audit and collection practices.</li></ul>	<p>EY materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">EY Tax Alert 2020 Issue No. 17</a></li></ul> <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">Alberta - COVID-19 support for employers and employees</a></li><li>▶ <a href="#">Alberta - Additional financial support for Albertans and employers</a></li><li>▶ <a href="#">Alberta - WCB Premium relief for employers</a></li><li>▶ <a href="#">Alberta - Education property tax</a></li><li>▶ <a href="#">IFTA Special Notice Vol. 10 No. 3</a></li><li>▶ <a href="#">Alberta CTA Special Notice Vol. 5 No. 56 (re. Corporate Income Tax Payments)</a></li><li>▶ <a href="#">Alberta - Tax relief for tourism industry</a></li></ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ <b>Deferred payment of PST</b> - Monthly filers may defer PST remittances due for February, March and April 2020 reporting periods to 31 July 2020, and quarterly filers may defer PST remittances for the 1 January 2020 to 31 March 2020 reporting period to 31 July 2020. The waiver of interest and penalties during the deferral period will apply automatically provided full payment is made or a payment arrangement is in place by 31 July 2020.</li></ul>	<ul style="list-style-type: none"><li>▶ <b>Interest and penalty relief</b> - Businesses directly impacted by Covid-19 that are unable to file their provincial tax return(s) (administered by the province) by the due date may submit a request for relief from penalty and interest charges on the return(s) affected.</li><li>▶ <b>Suspension of audit program</b> - Audit program and compliance activities have been suspended.</li></ul>	<p>EY materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">EY Tax Alert 2020 Issue No. 21</a></li></ul> <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">Saskatchewan - IN 2020-03 (re. Penalty and Interest on late returns)</a></li><li>▶ <a href="#">Saskatchewan News Release - Support for employers and employees</a></li></ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"> <li>▶ <b>Extended tax filing and payment deadlines</b> - Extension to 22 June 2020 of the 20 April and 20 May filing and payment deadlines for the retail sales tax (RST) for small and medium-sized businesses with monthly remittances of no more than \$10,000. The filing due date is also extended to 20 June 2020 for businesses that file on a quarterly basis and have a due date of 20 April 2020. A similar extension to 15 June 2020 of the 15 April and 15 May filing and payment deadlines for the health and post-secondary education tax levy (i.e., payroll tax) is also provided to the same small and medium-sized businesses that remit up to \$10,000 per month in Manitoba payroll tax. No late filing penalty will be assessed for the March 2020 return and remittance of these businesses, and no interest will be applied until after 15 June 2020 (for the levy) or 22 June 2020 (for the RST).</li> </ul>		<p>Government materials</p> <ul style="list-style-type: none"> <li>▶ <a href="#">Manitoba News Release - Tax payment filing deadlines</a></li> <li>▶ <a href="#">Manitoba Notice RST 20-03 (re. RST deadlines)</a></li> <li>▶ <a href="#">Manitoba Notice HE 20-01 (re. Health and Post Secondary Education Health Tax Levy)</a></li> <li>▶ <a href="https://news.gov.mb.ca/news/index.html?item=47380&amp;posted=2020-04-03">https://news.gov.mb.ca/news/index.html?item=47380&amp;posted=2020-04-03</a></li> <li>▶ <a href="https://news.gov.mb.ca/asset_library/en/newslinks/2020/04/BG-COVID_Routine_Update_04.03.pdf">https://news.gov.mb.ca/asset_library/en/newslinks/2020/04/BG-COVID_Routine_Update_04.03.pdf</a></li> <li>▶ <a href="https://www.wcb.mb.ca/how-the-wcb-is-responding-to-covid-19#employers">https://www.wcb.mb.ca/how-the-wcb-is-responding-to-covid-19#employers</a></li> </ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ <b>Deferral of WCB premiums and waiver of interest and penalties</b> - Workers compensation board (WCB) premium payments are deferred until the end of May 2020, and no interest and penalties will be charged for non-payment until October 2020 (and coverage will remain active). The payroll reporting deadline is also deferred until the end of May 2020. Business that expect a dramatic change in payroll compared to what was initially reported to the WCB earlier in the year can submit a revised 2020 payroll estimate to the WCB to have their premiums adjusted accordingly.</li><li>▶ <b>Accelerated removal of PST from residential and business properties</b> - To make home and business property insurance more affordable, the province is accelerating the removal of the annual PST on insurance for residential and business properties that was promised during the election, effective 1 July 2020.</li></ul>	<ul style="list-style-type: none"><li>▶ <b>Suspension of collection activities</b> - The issuance of tax debt warnings, legal collection actions and the contacting of new debtors is suspended.</li></ul>	

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"> <li>▶ <b>Doubling of 2020 EHT exemption</b> - Retroactive increase of the employer health tax (EHT) exemption from \$490,000 to \$1,000,000 for 2020 only.</li> <li>▶ <b>Extended filing and payment deadlines</b> - 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.</li> <li>▶ <b>Deferral of WSIB payments</b> - 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.</li> <li>▶ <b>Education property tax deferral</b> - 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>Regional Opportunities Investment Tax Credit</b> - 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</li> </ul>	



Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ <b>Postponement of property tax reassessment</b> - Postponement of the 2020 property valuation update or reassessment - assessments for the 2021 taxation year will thus continue to be based on the same valuation that was in effect for the 2020 taxation year.</li></ul>		<p>EY materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">EY Tax Alert 2020 Issue No. 23</a></li></ul> <p>Government Materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">Ontario Bill 188, Economic and Fiscal Update Act, 2020</a></li><li>▶ <a href="#">Ontario News Release - Responding to COVID-19</a></li><li>▶ <a href="#">Ontario's Action Plan 2020</a></li><li>▶ <a href="#">Ontario March 2020 Economic and Fiscal Update - Responding to COVID-19</a></li><li>▶ <a href="#">Ontario - EHT Exemption Increase for 2020!</a></li></ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ <b>Collections activities:</b> 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.</li> <li>▶ <b>Audit activities</b> - 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.</li> <li>▶ <b>Objections:</b> For objections due on or after 13 March 2020 up to 29 June 2020, the deadline is extended until 30 June 2020.</li> <li>▶ <b>Appeals before the Quebec Court:</b> 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>2019 personal tax return filing-due date</b> - Postponement of the filing-due date for 2019 income tax returns from 30 April 2020 to 1 June 2020.</li> <li>▶ <b>2019 personal tax balance-due day</b> - Postponement of the 30 April 2020 tax balance-due day to 1 September 2020.</li> <li>▶ <b>Electronic signatures</b> - Revenu Québec will recognize, on a temporary administrative basis, electronic signatures on authorization form TP-1000.TE-V, <i>Online Filing of the Personal Income Tax Return by an Accredited Person</i>, which tax preparers must have their clients sign.</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>QST filings and remittances</b> - The deadline for filing QST returns and making QST remittances is postponed to 30 June 2020. Specifically, the 31 March, 30 April and 31 May QST remittances may be deferred until 30 June 2020, without interest or penalties. For reporting periods with deadlines falling after 1 June 2020, the filing and payment deadlines stipulated in the tax legislation will apply.</li> <li>▶ <b>Deferral of administrative tax actions</b> - 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 (PTO..))</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>Corporations: Extended income tax return filing deadline</b> - For corporations, the filing of any income tax return (CO-17) due from 17 March 2020 up to 31 May 2020 may be deferred until 1 June 2020.</li> <li>▶ <b>Corporate tax balance-due day</b> - Postponement of any tax balance-due day falling between 17 March 2020 and 31 August 2020 to 1 September 2020. This postponement 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.</li> </ul>	<p>EY materials</p> <ul style="list-style-type: none"> <li>▶ <a href="#">EY Tax Alert 2020 Issue No. 18</a></li> </ul> <p>Government materials</p> <ul style="list-style-type: none"> <li>▶ <a href="#">Quebec Information Bulletin 2020-3</a></li> <li>▶ <a href="#">Quebec Information Bulletin 2020-4</a></li> <li>▶ <a href="#">Quebec Press Release (harmonization with federal measures)</a></li> <li>▶ <a href="#">Quebec Partnership Information Return Filing Deadline</a></li> <li>▶ <a href="#">Quebec Press Release - new measures to help individuals and businesses</a></li> <li>▶ <a href="#">Quebec Information Bulletin 2020-5</a></li> <li>▶ <a href="#">Quebec news release - Nouvelles Mesures (27 March)</a> (French only)</li> <li>▶ <a href="#">Quebec updated measures (27 March)</a> (French only)</li> </ul>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
	<ul style="list-style-type: none"> <li>▶ <b>Contributions due date</b> - Postponement of the 30 April 2020 deadline for the payment of the following contributions to 1 September 2020:</li> <li>▶ QPP and QPIP contributions for self-employed earnings (or earnings from activities as a family-type resource or an intermediate resource), and</li> <li>▶ Health Services Fund and Quebec prescription drug insurance plan contributions.</li> <li>▶ <b>Deferral of 15 June 2020 instalment payments</b> - For individuals and trusts (other than SIFT trusts), suspension of any tax instalment payment due on 15 June 2020 until 1 September 2020.</li> <li>▶ <b>Trusts (other than graduated rate estates and SIFT trusts):</b></li> <li>▶ <b>2019 tax return filing-due date</b> - Postponement of the 30 March 2020 tax return filing-due date to 1 May 2020.</li> <li>▶ <b>Graduated rate estates: 2019 tax return filing-due date</b> - Postponement of the 2019 tax return filing-due date after 16 March 2020 to 1 May 2020.</li> <li>▶ <b>Trusts (other than SIFT trusts) 2019 tax balance-due day</b> - 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.</li> </ul>	<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"> <li>▶ <b>Corporate instalment payments</b> - 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.</li> <li>▶ <b>Corporations, other businesses, and charities: Deferral of administrative tax actions</b> - 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.</li> <li>▶ <b>Electronic signatures</b> - 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.</li> </ul>	

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
	<ul style="list-style-type: none"> <li>▶ <b>Individuals and Trusts: Deferral of administrative tax actions</b> - 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.</li> <li>▶ <b>Individuals: RRIF withdrawals</b> - In line with the federal measure, the required minimum withdrawals from RRIFs will be reduced by 25% for 2020.</li> <li>▶ <b>Individuals: Seniors' home-support services tax credit</b> - 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).</li> </ul>		<ul style="list-style-type: none"> <li>▶ <b>SIFT trusts and SIFT partnerships: 2019 tax return filing-due date</b> - Postponement of 2019 tax return filings due after 16 March 2020 to 1 May 2020.</li> <li>▶ <b>SIFT Trusts and SIFT partnerships: Tax balance-due day</b> - Postponement of any tax balance-due day falling between 17 March 2020 and 31 August 2020 to 1 September 2020.</li> <li>▶ <b>SIFT Trusts and SIFT partnerships: Instalment payments</b> - Suspension of monthly tax instalment payments due between 17 March 2020 and 31 August 2020 until 1 September 2020.</li> <li>▶ <b>Other Partnerships: Partnership information return</b> - 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.</li> <li>▶ <b>Charities: Extended filing deadline</b> - 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.</li> </ul>	

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

## Overview

## Personal tax

## VAT, GST and trade

## Business tax

## Links and resources

- ▶ **Deferral of WCB premiums and waiver of interest and penalties** - Workers compensation board (WCB) premium payments for all employers are deferred for three months, until July 2020. Late payment fees and interest are waived until further notice.

### Government materials

- ▶ <https://www.cfib-fcei.ca/en/advocacy/employment-and-labour/nova-scotia-covid-19-relief-measures-your-business>
- ▶ <https://www.wcb.ns.ca/About-Us/News-Room/News/Province-of-Nova-Scotia-defers-WCB-employer-premiums-until-July-2020.aspx>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ <b>Property tax relief</b> - Provincial property tax and fee payments are deferred until 31 December 2020. In addition, the property tax assessment appeal deadlines for the 2020 assessment year are deferred to 31 December 2020, and interest relief will be provided for the 2020 tax year (including for all past due amounts). The mailing of provincial tax bills for 2020 will also be deferred until June.</li></ul>		<p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="https://www.princeedwardisland.ca/en/news/province-provides-covid-19-economic-update-confirms-property-tax-relief">https://www.princeedwardisland.ca/en/news/province-provides-covid-19-economic-update-confirms-property-tax-relief</a></li></ul>

# Cayman Islands

- ▶ Contact: Bill Bailey – Tax
- ▶ Contact: Christine M. Bower – Tax
- ▶ Last updated: 6 April 2020

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[Return to jurisdiction list](#)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"><li>▶ Banks are implementing measures to provide financial relief to clients, including automatic payment deferrals on residential mortgages and personal loans in good standing</li><li>▶ Emergency supplementary funding, recently approved by Cabinet, will provide temporary food assistance to non-Caymanians who qualify and are unable to leave the Cayman Islands or who find themselves out of work due to the impact of Covid-19.</li><li>▶ Additional emergency stipends to be paid to those who receive permanent financial assistance to allow them to better prepare with provisions and medical expenses.</li><li>▶ The Cayman Islands Centre for Business Development provide support to small businesses across the Islands. The services being offered to the public will begin with a focus on business continuity training and coaching. Small and medium-sized enterprises with an urgent need for assistance with cash flow management, business impact analysis or those that need to redesign or re-think their business models are urged to contact the Centre.</li></ul>			<ul style="list-style-type: none"><li>▶ The Government has deferred the obligation to pay annual fees until 30 June 2020, for registered corporate entities. The fees deferral applies to all companies, including LLCs foundations companies.</li><li>▶ Exempted liability partnerships (ELPs) will also have their annual fees and annual return filings deadline extended until 30 June.</li><li>▶ A one-month extension has been granted for beneficial ownership filings, beginning 23 March and ending 20 April 2020.</li><li>▶ A 30 day extension with respect to filings relating to changes in directors and officers, changes in registered offices and filing of amended memorandum and articles (including changes in share capital), occurring on or after 1 March 2020.</li><li>▶ Additional list of filing extensions provided by the Cayman Islands Monetary Authority (CIMA), included in the links and resource section.</li><li>▶ The Registrar of Companies (ROC) and the DITC have extended the deadlines for entities to complete their Annual Returns and Economic Substance Notification (ENS) filings until 30 June 2020. The ESN will remain a prerequisite for companies filing an Annual Return.</li><li>▶ The Department for International Tax Cooperation (DITC) announced on 2 March 2020 that the reporting deadline for CbCr is extended due to development of the new DITC portal. MNE Groups with the fiscal year starting in the range 1 July 2018 through 31 December 2018 will be required to file their CbC Report no later than 31 December 2020.</li><li>▶ The Department for International Tax Cooperation (DITC) announced on 2 March 2020 that the reporting deadline for the 2019 reporting period is extended to 18 September 2020 due to development of the new DITC portal. The industry advisory confirms that the DITC is not currently proposing changes to previously announced FATCA/CRS deadlines. However it is monitoring the International landscape carefully and will consider any appropriate changes should applicable international deadlines be modified</li></ul>	<p><b>Government materials</b></p> <p><a href="https://www.mfs.ky/news/">https://www.mfs.ky/news/</a></p> <p><a href="https://www.cima.ky/upimages/commonfiles/ListofFilingExtensions_1585070451.pdf">https://www.cima.ky/upimages/commonfiles/ListofFilingExtensions_1585070451.pdf</a></p> <p><a href="https://www.explore.gov.ky/coronavirus">https://www.explore.gov.ky/coronavirus</a></p>



## Overview

- ▶ Government filed an incentive economic package, 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 sanitary systems, family revenues and employment protections.
- ▶ From a practical perspective Chilean IRS has launched new online tools in its website enabling the obtaining of a 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.
- ▶ New labor legislation enacted easing access to unemployment insurance and allowing employers to agree a reduction in the weekly hours and remuneration.

## Personal tax

## VAT, GST and trade

- ▶ 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.
- ▶ Real estate taxes due in April may be deferred until 31 December 2020. Applicable to small/medium size companies and individuals that own real state valued lower than US\$170k.

## Business tax

- ▶ Several sworn statements are postponed to March end - beginning of April.  
*Small/medium-sized companies*
  - ▶ 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.*All size companies*
  - ▶ 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

## Links and resources

- Government materials**
- ▶ [http://www.sii.cl/servicios\\_online/index.html](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
- ▶ 46 new cross-border e-commerce pilot zones to be newly established. Total 105 now.
- ▶ Expansion of the scope of encouraged industries of foreign investment
- ▶ Reduce the prohibited commodities for processing trade

## 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

## VAT, GST and trade

- ▶ **Exemption/reduction:** Exempt VAT on revenue in providing prescribed services (i.e., transportation of key supplies under the pandemic, public transportation services, lifestyle services) from 1 January 2020. The expiration date will be announced
- ▶ Exempt VAT for small-scale VAT taxpayers in Hubei and reduce VAT collection rate for those in other regions to 1% (1 March 2020 to 31 May 2020)
- ▶ Exempt VAT for financial institutions' interest income from the loans to small and micro-sized enterprises (by the end of 2023)
- ▶ Exempt VAT and Consumption Tax on cross-border e-commerce pilot zones (ECPZs) in 46 newly established ECPZs, total 105 zones
- ▶ **VAT refunds:** Key medical and pandemic prevention-related supplies (Key Supply Enterprises (KSEs)) under designated lists (vary locally) may apply a full refund of the incremental input VAT credits incurred after the end of December 2019 on a monthly basis
- ▶ **Tax administration:**
  - ▶ Temporarily waive on-site verification for VAT invoice related applications
  - ▶ Big data analysis (particularly on VAT invoices) is leveraged to assist governments in making well-informed decisions
  - ▶ Certain tax authorities launched the blockchain-based general VAT invoice on a pilot basis
  - ▶ Waiver of late tax payment interest on domestic sales from bonded materials
- ▶ **Further extension of VAT monthly filing** - nationwide tax filing deadline of April 2020 has been extended to 24 April 2020. Further extension may be possible for businesses in Hubei province, subject to further announcement.
- ▶ **Deferral of VAT payment:** Subject to individual circumstances by case review

## Business tax

- ▶ **Asset write-off/tax depreciation:** Equipment purchased by KSEs under a designated list for expanding production capacity is allowed to be one-off deducted in the same period for CIT purposes
- ▶ **Reduction of taxable income:**
  - ▶ Interest income derived by financial institutions for extending small loans to farmers is subject to CIT at a 10% reduction (by the end of 2023)
  - ▶ Premium income derived from insurance services provided to businesses engaging in planting as well as breeding and poultry raising is subject to CIT at a 10% reduction (by the end of 2023)
- ▶ **Special CIT deduction:** Qualifying donations are allowed to be deducted in full for CIT purposes
- ▶ **Loss carry forward:** Extend the carry-forward period for loss incurred in 2020 from five to eight years for qualifying enterprises
- ▶ **Deferral CIT payment:** Subject to individual application and case by case review
- ▶ **Deferral Housing Fund payment:** Contribution by employers (for Feb to Jun) may be deferred to 30 June 2020
- ▶ **Urban Land Use Tax:** 50% deduction of Urban Land Use Tax (ULUT) rates on the land used by logistics companies for bulk commodity storage (1 January to 31 December 2022)
- ▶ CIT quarterly filing extension - nation-wide CIT quarterly filing deadline of April 2020 has been extended for 4 days to 24 April 2020. Further extension may be possible for businesses in Hubei province, subject to further announcement.

## Links and resources

### Government materials

- ▶ <http://www.chinatax.gov.cn/eng/n4260854/c5146227/5146227/files/2c0c7d469b204eeeeaae57d2bf27f5f36.pdf>
- ▶ <http://www.gov.cn/guowuyuan/cwby/20200407c13/index.htm>

### EY materials

- ▶ [https://www.ey.com/Publication/vwLUAssets/ey-ctie-2020010-eng/\\$FILE/ey-ctie-2020010-eng.pdf](https://www.ey.com/Publication/vwLUAssets/ey-ctie-2020010-eng/$FILE/ey-ctie-2020010-eng.pdf)
- ▶ [https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020009-ENG/\\$FILE/EY-CTIE-2020009-ENG.pdf](https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020009-ENG/$FILE/EY-CTIE-2020009-ENG.pdf)
- ▶ [https://www.ey.com/Publication/vwLUAssets/ey-ctie-2020008-eng/\\$File/ey-ctie-2020008-eng.pdf](https://www.ey.com/Publication/vwLUAssets/ey-ctie-2020008-eng/$File/ey-ctie-2020008-eng.pdf)
- ▶ [https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020007-ENG/\\$FILE/EY-CTIE-2020007-ENG.pdf](https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020007-ENG/$FILE/EY-CTIE-2020007-ENG.pdf)
- ▶ [https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020006-ENG/\\$FILE/EY-CTIE-2020006-ENG.pdf](https://www.ey.com/Publication/vwLUAssets/EY-CTIE-2020006-ENG/$FILE/EY-CTIE-2020006-ENG.pdf)

## 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](http://www.presidencia.go.cr)
  - ▶ [www.hacienda.go.cr](http://www.hacienda.go.cr)
  - ▶ [www.procomer.com](http://www.procomer.com)

- ▶ Contact: Raisza Terburg-Ersilia - International Tax and Transaction Services
- ▶ Rose Boeve - International Tax and Transaction Services
- ▶ Last updated: 9 April 2020

## Overview

- ▶ Banks and credit institutions are permitted to postpone interest and principle payments for their customers for a period of three to six 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 three to six 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.
- ▶ Micro, small and medium-sized businesses in sectors that have been seriously affected are entitled to a credit facility of up to ANG 100,000 to cover their fixed costs. The interest rate will be 2% for the first six months and subsequently it will increase to 6%.
- ▶ Financial compensation will be provided to people and organizations involved in caretaking of for example the elderly, the disabled and families with children.
- ▶ Everyone who lost employment from 15 March 2020, will receive a financial compensation of maximum ANG 1,000 per month.
- ▶ Social welfare recipients can generate earnings up to ANG 600 per month through temporary jobs. As these jobs became unavailable, social welfare recipients could be entitled to monthly financial support of ANG 450 if they can provide evidence that they are missing the ANG 600 income.
- ▶ Financial support of ANG 1,335 per month will be provided to small businesses and self-employed entrepreneurs (with no employees). Priority will be given to those sectors that have been seriously affected, such as public transportation, the hospitality sector, the retail business, advertising and entertainment.
- ▶ Employers that experienced a drop in the turnover of at least 25% will receive a monthly financial support to cover the employees' salaries to keep as many employees as possible employed. The financial support amounts to 80% of the total wage expenses multiplied by the percentage of decrease in turnover. Additional requirements apply, for example that all permanent employees must continue to be employed and there will be a maximum salary threshold of ANG 5,781.

## 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.

## Personal tax

- ▶ **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

- ▶ Items listed under the first six bullets in the personal income tax section 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.
- ▶ **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.

## Business tax

- ▶ Items listed under the first six bullets in the personal income tax section 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
- ▶ 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.



Overview	Personal tax	VAT/GST and trade	Business tax	Links and resources
	<ul style="list-style-type: none"> <li>▶ 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).</li> <li>▶ A two-month extension to those that are required to submit a tax return by 31 March 2020 (the new</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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</li> <li>▶ 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).</li> </ul>	<p><b>EY materials</b></p> <p><a href="https://emeia.ey.com/2594/133863/landing-pages/public-support-program-covid-19-en.pdf">https://emeia.ey.com/2594/133863/landing-pages/public-support-program-covid-19-en.pdf</a></p>

## Overview

- ▶ Due to the Covid-19 pandemic, the Ministry of Finance announced a number of tax relief measures, including 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
- ▶ Direct one-off contribution up to CZK 25 thousand (upon application) for self-employed individuals affected by Covid-19 state restrictions for period from 12 March 2020 to 30 April 2020.

## VAT, GST and trade

- ▶ There are no extensions currently being granted to filing deadlines for VAT returns.
- ▶ Taxpayers must apply for deferrals of VAT payments with related penalties and interest. The taxpayer must demonstrate in their application for a deferral that they have been adversely impacted by Covid-19. There is no automatic deferral as such.
- ▶ 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.
- ▶ Introduction of proposed law concerning a moratorium on credits and loans for the deferral of repayments of credit, loans and liabilities from similar financial services, such as a financial lease with compulsory purchase of the leased object at the end of the lease term, if the borrower so requests.

## 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>
- ▶ <https://emeia.ey-vx.com/2520/139210/landing-pages/planned-introduction-of-tax-loss-carryback.pdf>

## Overview

- ▶ Various stimulus measures have been passed by the Danish Parliament - ranging from compensation schemes to government guarantees etc. The measures introduced as of the date of this update include:
  - ▶ Salary compensation
  - ▶ Grants covering fixed costs
  - ▶ Compensation for turnover losses (self-employed)
  - ▶ Compensation for cancelled or postponed events
  - ▶ Covid-19 State guaranteed loans for large businesses
  - ▶ Covid-19 State guaranteed loans for SMEs
  - ▶ Export Credit Agency liquidity guarantee and reinsurance
  - ▶ Deferral of reporting and/or payment deadlines for various taxes, VAT etc.
- ▶ All tax return and disclosure deadlines for the 2019 income year have been extended until 1 September 2020.
- ▶ In addition, the deadline for other disclosures (required after the submission deadline of the disclosure form) is extended until 1 September 2020, e.g., this applies to transfer pricing documentation and to requests for payment under the Danish tax credit scheme for costs related to research and development.

## Personal tax

- ▶ The tax filing deadlines for all tax payers for the income year 2019 have been extended to 1 September 2020.

## VAT, GST and trade

- ▶ The deadline for VAT reporting and payment is postponed. No application needs to be made for the deferral of VAT.
- ▶ 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 1 September 2020
- ▶ For companies with VAT liable deliveries below DKK 5m on an annual basis, the VAT payment of the first half of 2020 has been postponed and is now together with the payment deadline of the second half of 2020 on 1 March 2021.

## Business tax

- ▶ The deadlines for the payments of the payroll tax (A-tax) and labor market contributions (AMB) are postponed by four months for the months; April, May and June. No application needs to be made for the deferral.
- ▶ 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 30 April are postponed until 31 August, ii) 29 May are postponed until 30 September and iii) 30 June are postponed until 30 October.
- ▶ For the companies below the thresholds the payments are as follows: i) The payment that should have been made on 11 May are postponed until 10 September, ii) 10 June are postponed until 12 October, and iii) 10 July are postponed until 10 November.
- ▶ As regards B-tax (self-employed) the payment deadlines have been extended for the two upcoming rates (20 April and 20 May payments). Payments to be executed on 20 June and 20 December 2020.
- ▶ Please keep in mind that only the payments of A-tax/AMB and B-tax have been postponed, the reporting deadlines are maintained.
- ▶ The max refund limit on the business tax account has been temporarily increased from DKK 200,000 to 10 million. Businesses with excess liquidity may choose to pay in advance of the postponed deadlines and increase the refund limit to avoid negative interest rates on their bank deposits.
- ▶ March rates are due without changes, but companies that have not paid March A-tax and AMB due to the Covid-19 disruption may apply to exempt the installment from late payment interest and fees.
- ▶ The tax filing deadlines for all tax payers for the income year 2019 have been extended to 1 September 2020.

## Links and resources

### Government materials

- ▶ [https://www.ft.dk/samling/2019/lovforslag/l134/som\\_f\\_remsat.htm](https://www.ft.dk/samling/2019/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 29 May 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](https://www.camaradediputados.gob.do/serve/listfile_download.aspx?id=46243&num=1)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ 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</li> <li>▶ The face-to-face work day is suspended from 17 to 31 March 2020</li> </ul>		<ul style="list-style-type: none"> <li>▶ Import tariffs on medical products necessary to attend the emergency were eliminated, according to a list issued by the Costume Authority, to this end.</li> <li>▶ 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ The payment of the Corporate income tax of fiscal year 2019 may be deferred by six 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.</li> <li>▶ The statutory due date for filing Corporate income tax return of all tax payers that are not included on previous point, has been extended one or two days of its original statutory due date, in accordance with a schedule issued by the IRS.</li> <li>▶ The filing of tax annex whose statutory due date was March and April, is extended until August 2020.</li> <li>▶ <b>IRS:</b> The deadlines and terms of all the tax administrative processes and the statutes of limitation of the collection action are suspended, from 16 to 12 April 2020. This suspension does not apply for tax returns.</li> <li>▶ 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.</li> </ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://minka.presidencia.gob.ec/portal/usuarios_externos.jsf">https://minka.presidencia.gob.ec/portal/usuarios_externos.jsf</a></li> <li>▶ <a href="https://www.sri.gob.ec">https://www.sri.gob.ec</a></li> <li>▶ <a href="http://www.trabajo.gob.ec">http://www.trabajo.gob.ec</a></li> <li>▶ <a href="https://www.ana.gob.ec/">https://www.ana.gob.ec/</a></li> </ul>

## 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"> <li>► 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.</li> <li>► 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.</li> <li>► 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.</li> <li>► 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.</li> </ul>	<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"> <li>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.</li> <li>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.</li> <li>c) The payment of the Special Tax on tourism has been suspended for 3 months.</li> </ul>	<ul style="list-style-type: none"> <li>► 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.</li> <li>► The donations must be supported with the corresponding Certificate that will be issued by the Ministry of Economy in favor of the beneficiary entity.</li> <li>► 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.</li> </ul>	<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"> <li>► 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.</li> <li>► 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.</li> <li>► The payment of the Special Tax on tourism has been suspended for 3 months.</li> <li>► 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.</li> <li>► 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.</li> </ul> <p>In all the previously mentioned cases, the Income Tax return must be filed no later than 30 April 2020.</p>	<p><b>Government materials</b></p> <p><a href="https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/14-03-2020.pdf">https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/14-03-2020.pdf</a></p> <p><a href="https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/15-03-2020.pdf">https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/15-03-2020.pdf</a></p> <p><a href="https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/20-03-2020.pdf">https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/20-03-2020.pdf</a></p>



Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
		<ul style="list-style-type: none"><li>▶ 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.</li></ul>	<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"><li>▶ 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.</li><li>▶ The returns will have to be filed within the 10 working days following the closing of the corresponding tax period.</li></ul>	

## 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 also the [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.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"> <li>▶ Temporary actions to secure survival of businesses - shortening of lay-off period</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> </ul>		<ul style="list-style-type: none"> <li>▶ Finland is expected to provide a range of VAT reliefs.</li> <li>▶ 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,</li> </ul>	<ul style="list-style-type: none"> <li>▶ The interest rate for late payment is reduced to 4% (currently 7%) for taxes due from 1 March 2020.</li> <li>▶ The deadlines for paying taxes are postponed (further details of this are not yet known).</li> <li>▶ Pension funds may grant upon application a postponement up to 3 months for pension premiums paid by employers and self-employed individuals.</li> <li>▶ 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 to be paid at latest 31 January 2021 in order to avoid interest payable.</li> <li>▶ 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</li> <li>▶ 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</li> <li>▶ Requesting additional time to file a tax return</li> <li>▶ Additional time to file a tax return can be requested</li> </ul>	<p><b>EY materials</b></p> <p><a href="#">Responding to Covid-19</a></p> <p><a href="#">Corona virus (Covid-19), The most important labor law issues in the Nordic countries</a></p> <p><b>Government materials</b></p> <p><a href="#">Corona situation: Recent updates</a> (from the Finnish tax authority)</p>

## Overview

- ▶ The following measures are temporary and could be renewed. Mostly subject to no justification to facilitate procedures, these measures are dedicated to companies encountering extreme difficulties. Other measures could be implemented, in particular within the framework of the amending finance bill for 2020.
- ▶ For large companies, the benefit from deferred payment of taxes and social charges is subject to the commitment not to distribute dividends or to buy back shares throughout 2020, failing which the FTA may challenge the deferred payment facilities and apply late payment interest (the new form for benefiting from tax measures includes this commitment).
- ▶ The companies that have used the partial unemployment mechanism are also asked not to proceed to dividend distributions (recommendation not yet detailed).
- ▶ For the smallest companies, deferring of payment of various invoices (e.g., water, gas or electricity and rents).
- ▶ Solidarity fund created by the State for entrepreneurs, merchants, artisans and financial support of €1,500 for the smallest businesses, the self-employed and microenterprises in the sectors most affected.
- ▶ State guarantee up to €300b of bank loans and support from the Banque de France into negotiating rescheduling of bank credits.
- ▶ Simplification and strengthening of partial unemployment scheme.
- ▶ Mediation to resolve conflicts with customers or suppliers.
- ▶ Recognition of the Coronavirus as a case of force majeure for public contracts (no late payment penalties).
- ▶ Government objective of quick payment of suppliers of public administrations (i.e., on average 20 days).
- ▶ Postponement upon request in whole or in part of the payment of the employee and employer social contributions ("URSSAF") due on 15 March 2020, for up to 3 months.
- ▶ Extension of legal deadlines expired during the health emergency period (with potential impact on ongoing restructuring operations).

## Personal tax

- ▶ For the self-employed, adjustment of the rate and the down payments at source of income tax, or deferral of 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. Adjustments to be made via the website [impots.gouv.fr](https://impots.gouv.fr), under the heading "Manage my direct debit" (before the 22<sup>nd</sup> of a given month, in order to be taken into account for the following month).
- ▶ For employee's, no deferrals or discounts contemplated for the employee's payments at source of personal income tax.
- ▶ Extension of the online filing deadline for personal income tax return to 4, 8 or 11 June 2020, depending of the department of residency (paper returns should be filed before 12 June 2020).

## VAT, GST and trade

- ▶ Postponement only concerns 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).
- ▶ Government objective of rapid refund of excess input VAT to the companies (i.e., within 1 month in 80% of cases).
- ▶ Companies encountering difficulties in gathering all the documents useful for establishing their CA3 return, can make a simple estimate of the amount of VAT due (margin of error tolerated of 20%).
- ▶ Possibility of paying a lump sum of VAT calculated on the basis of the VAT amounts declared for previous months for companies having experienced a decrease in their turnover (the proper application of such tolerance may be subject to tax audit by the FTA afterwards).
- ▶ Tolerance which allows invoices issued in paper form then scanned and sent by email (without following the entire electronic invoicing process specific to electronic invoicing) by any supplier to its client without the need to send the corresponding paper invoice by post.

## Business tax

## 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=75563)
- ▶ [http://gov.ge/index.php?lang\\_id=ENG&sec\\_id=288&info\\_id=75732](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](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 2020 and the proposals passed the Federal Council on 27 March 2020.
- ▶ 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 the 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. The subsidy will be considered taxable income.
- ▶ Conditions for the KfW-Unternehmerkredit (business loan companies) and the ERP-Gründerkredit-Universell (for existing 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 (limited, however, 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 demergers), 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.
- ▶ On 1 April, the Ministry of Economy issued a press statement aligned with the Ministry of Finance regarding further support with a volume of EUR 2 billion. The measures are intended for start-ups, young technology companies and SMEs who often do not fulfill the requirements for traditional measures. The measures include a strengthening of venture capital investors (at fund level) to provide additional capital to portfolio companies facing liquidity constraints, support in financing rounds in case of defaulting investors and support for young start-ups without venture capital investors as well as small and medium-sized enterprises. A timetable for the implementation of the measures is currently outstanding.

## Business tax

- ▶ After a 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.
  - ▶ On 6 April 2020, the MoF issued a non-binding FAQ document aiming at application questions. Among other things, this document clarifies that the possibility of waiving enforcement also exists for wage tax and that tax deferrals should only be granted for taxes that have been determined.
  - ▶ **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 Covid-19 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 (Kurzarbeitsgeld), 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.
- ▶ The Ministry of Economy issued a press release in coordination with the Ministry of Finance that, with immediate effect, export transactions at short credit terms (credit periods of up to 24 months) within the EU as well as to selected OECD member states can be supported with state export credit guarantees. The EU Commission granted an exemption to this effect on 27 March 2020.

## 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](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](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](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](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>

*German version only:* Bund erweitert Möglichkeiten für Exportkreditgarantien als Reaktion auf Corona-Pandemie

<https://www.bmwi.de/Redaktion/DE/Pressemitteilungen/2020/20200330-bund-erweitert-moeglichkeiten-fuer-exportkreditgarantien-als-reaktion-auf-corona-pandemie.html>

*German version only:* Auswirkungen des Coronavirus: Informationen und Unterstützung für Unternehmen

<https://www.bmwi.de/Redaktion/DE/Dossier/coronavirus.html#id1694894>

*German version only:* FAQ „Corona“ (Steuern) [https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/2020-04-01-FAQ\\_Corona\\_Steuern.html?cms\\_pk\\_kwd=06.04.2020\\_FAQ+Corona+Steuern+&cms\\_pk\\_campaign=Newsletter-06.04.2020](https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/2020-04-01-FAQ_Corona_Steuern.html?cms_pk_kwd=06.04.2020_FAQ+Corona+Steuern+&cms_pk_campaign=Newsletter-06.04.2020)

## Overview

- ▶ On 18 March 2020, The Bank of Ghana's Monetary Policy Committee issued a press release announcing the reduction in the Monetary Policy Rate by 150 basis points to 14.5 percent, effective 18 March 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.
- ▶ On 30 March 2020, the Finance Minister presented various tax measures to be introduced by the Government to mitigate the economic burden on taxpayers. Parliament is expected to pass these proposals into law. Once passed, the Ghana Revenue Authority (GRA) will communicate these measures to the public and explain how taxpayers can take advantage of them.

## Personal tax

- ▶ The due date for filing tax returns will be extended from four months to six months.
- ▶ Taxpayers who pay their outstanding debts due to the GRA by 30 June 2020 will be granted a remission of penalties on the principal debts.
- ▶ Taxes on selected third-tier pension withdrawals will be waived.

## VAT, GST and trade

- ▶ The Government will waive VAT on the donation of stock of equipment and goods for fighting the Covid-19 pandemic.

## Business tax

- ▶ The due date for filing tax returns will be extended from four months to six months.
- ▶ Taxpayers who pay their outstanding debts due to the GRA by 30 June 2020 will be granted a remission of penalties on the principal debts.
- ▶ Contributions and donations towards Covid-19 will be allowable expenses for tax purposes.

## Links and resources

### Government materials

- ▶ [https://www.bog.gov.gh/mpc\\_press\\_release/mpc\\_press-release-march-2020/](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 2020 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 2020 are being delayed until 1 July 2020.

## 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

- ▶ 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 pandemic. Certain other targeted measures have also been adopted in relation to affected enterprises' financing.
- ▶ The tax measures so far are included in three legislative acts (dated 11 March 2020, 20 March 2020 and 30 March 2020), implemented through various Ministerial Decisions, whereas Government announcements have declared the adoption of further measures.

## Personal tax

- ▶ The payment of debts that were already due as of March 11 or 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:
  - ▶ 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.
  - ▶ The employees of affected enterprises whose employment contract is suspended shall pay 60% of the agreed rent price for their main residence.
- ▶ The deadline for the submission of inheritance, donation and parental gifts tax returns to be submitted within March and April 2020 has been extended up until 29 May 2020.

## VAT, GST and trade

- ▶ 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.
- ▶ The above apply for enterprises included in the list of "affected" enterprises within April, only for the VAT debts due within April.
- ▶ 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:
  - ▶ protective masks and gloves
  - ▶ antiseptic products, wipes and relevant antiseptic products
  - ▶ soap and other products used for personal hygiene purposes
  - ▶ ethyl alcohol which is used as raw material for the production of antiseptics, as well as ethyl alcohol in non-processed form sold bottled in retail for personal hygiene and protection purposes.
- ▶ 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.
- ▶ VAT exemption is available for goods delivered and services provided by suppliers to donors for donations made for the benefit of the public, under certain procedures to be followed.

## Business tax

- ▶ The payment of debts assessed and due to the Tax Administration as well as the payment of debt installments or partial repayments due between 11 March 2020 to 30 April 2020 are suspended up until 31 August 2020. The collection of debts assessed and due on 11 March 2020 are suspended until 31 August 2020.
- ▶ The above apply for enterprises included in the list of “affected” enterprises within April, only for the tax debts due within April.
- ▶ 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.
- ▶ A discount of 25% might be granted for timely payment of debt installments / partial repayment scheme installments due from 30.03.2020 to 30.04.2020 by enterprises financially affected. VAT and WHT debts are excluded from the 25% reduction, unless previously included in a debt installment / settlement payment scheme. By virtue of a Ministry of Finance Press Release, payment of VAT payable by 30.04.2020 will not be subject to 25% discount; however, 25% of said amount may be credited against any other tax liability. This has not been passed into law as of yet.
- ▶ Income taxes and VAT up to €30,000 per tax category and taxpayer pending for refund shall be refunded immediately, whereas a tax audit may still be conducted on a sample basis.
- ▶ Enterprises that their operation is mandatorily suspended or forbidden shall be liable to pay 60% of the agreed rent for their business premises for the months March and April. VAT or stamp duty due shall be adjusted accordingly. Said rent reduction will also become available in the immediate future to all affected enterprises, as per a very recent Ministry of Finance Press Release (which has not been passed into law as of yet).
- ▶ Deadlines for the expiration, presentation and payment of cheques due by affected enterprises according to their activity code number (KAΔ) are suspended from 30.03.2020 to 31.05.2020 for 75 days as of the date of each cheque. The above suspension also applies to enterprises whose activity code number (KAΔ) will be eventually included in the Ministerial Decisions determining the affected enterprises within April.
- ▶ Exceptional state aid in the form of a repayable advances is also provided for enterprises. This aid is irrevocable, tax-free and cannot be offset against any debt. The terms, conditions and details for granting this aid shall be determined by Ministerial Decision. The portal for applying for the granting of such state aid has been launched and will be open until 10 April 2020. Companies eligible for such state aid shall, among others, employee 1 - 500 employees and submit their financial data to the portal. It appears that the state aid will be granted based on actual financial data proving the decrease in company's business and turnover, rather than based on its KAΔ.
- ▶ Certain filing deadlines (i.e., for the submission of capital duty, stamp duty, plastic environmental duty and accommodation tax returns) have all been extended.

## Links and resources

### EY materials

- ▶ [https://emeia.ey-vx.com/406/82407/landing-pages/corona-virus-labor-alert-\(002\).pdf](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>
- ▶ <https://emeia.ey-vx.com/406/82407/landing-pages/updated-covid-19-tax-alert-eng-30.03.2020-3.pdf>
- ▶ <https://emeia.ey-vx.com/406/82407/landing-pages/covid-19-tax-alert-eng-01.04.2020.pdf>
- ▶ <https://emeia.ey-vx.com/406/82407/landing-pages/vat-alert-en-26.03.2020-3.pdf>
- ▶ <https://emeia.ey-vx.com/406/82407/landing-pages/en-covid-800-eur-law-alert-2.pdf>
- ▶ [https://emeia.ey-vx.com/406/82407/landing-pages/en-ergani-submission-tax-alert-\(002\)-2.pdf](https://emeia.ey-vx.com/406/82407/landing-pages/en-ergani-submission-tax-alert-(002)-2.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"> <li>▶ In the ongoing national effort to support businesses and individuals who have been socially and economically disadvantaged by the threat of the Covid-19 pandemic, the Government of Guyana has implemented a number of tax relief measures.</li> <li>▶ The measures described here represent a commitment made by the Guyana Revenue Authority based on approval of such measures by the Government of Guyana. Nevertheless, it should be noted that some of these measures are not automatically accessed and some may require legislative amendments to come into effect.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The Guyana Revenue Authority will expedite the processing of Pay-as-you-Earn (PAYE) refunds for employees.</li> </ul>	<ul style="list-style-type: none"> <li>▶ VAT on water and electricity is eliminated, with effect from 1 April 2020 to 30 June 2020.</li> <li>▶ VAT on domestic air travel is eliminated, with effect from 8 April to 30 June 2020.</li> <li>▶ The Guyana Revenue Authority will expedite the processing of VAT refunds for businesses.</li> <li>▶ VAT and duties on certain Covid-19 medical supplies and lab testing kits are waived.</li> <li>▶ VAT, duties and excise tax on all medical supplies associated with the testing, prevention and treatment of Covid-19, Vitamin C and multivitamins are waived. This took effect on 26 March 2020 and will be in effect until 30 June 2020.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The 30 April deadline for the filing of tax returns is extended to 30 June 2020. However, estimated remaining taxes using “management financial statements”<sup>7</sup> for the Year of Income 2019 (Year of Assessment 2020) must be paid by 30 April 2020.</li> <li>▶ Tax deductions are granted for all donations made by local businesses to health institutions and staff for the treatment of Covid-19.</li> <li>▶ The payment of advance corporate and advance individual taxes for the Year of Assessment 2021 (Year of Income 2020) and PAYE for affected businesses is delayed until 30 June 2020. Airline and tourism and associated industries, as well as hotels and transportation businesses, that continue to employ their employees, or send their employees on extended vacation leave, the payment of advance taxes will be deferred without penalty and interest.</li> <li>▶ Affected businesses will pay advance taxes on a current year basis.</li> </ul>	

## Overview

Hong Kong has announced the following measures:

**Job retention:** Employment Support Scheme which provides wages subsidies to eligible employers to retain their employees. Subsidies calculated on the basis of 50% of wages (with a wage cap of HK\$18,000 per month) for a period of six months

**Relief grants for hard-hit sectors:** Provide a one-off relief grant estimated at HK\$21 billion benefiting hard-hit sectors and industries

**Easing the cash flow and burden of businesses:** Concessionary low-interest loans with Government guarantee for enterprises

- ▶ Extend the 75% waive of water and sewage charges payable by nondomestic accounts to November 2020
- ▶ Waive the business registration fees for 2020-21
- ▶ Waive registration fees for company annual returns for two years

### Others

- ▶ Airport Authority - additional relief worth HK\$2 billion to airlines and its immediate supporting operators
- ▶ Hong Kong Monetary Authority - adjust regulatory parameters to enable banks to lend, releasing a total lending capacity of HK\$1,000 billion, and provide to clients "Principal moratorium" for a specified period and other sector-specific measures to provide much needed liquidity
- ▶ Insurance Authority - facilitate all major insurance companies to offer grace periods for premium payments for holders of individual life, critical illness and medical policies for a specified period
- ▶ Issue inflation-linked retail bonds and Silver Bonds totaling not less than HK\$13 billion

## Personal tax

- ▶ 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.
- ▶ Relief measures provided by the conditional waiver of surcharges for the settlement of demand notes by instalment for the tax year 2018/19
- ▶ Automatic deferral for payments of salaries tax and tax under personal assessment due in April, May and June 2020 by three months

VAT, GST and trade	Business tax	Links and resources
	<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ Relief measures provided by the conditional waiver of surcharges for the settlement of demand notes by instalment for the tax year 2018/19</li><li>▶ Automatic deferral for payments of profits tax due in April, May and June 2020 by three months</li></ul>	<p><b>EY materials</b></p> <ul style="list-style-type: none"><li>▶ <a href="#">Hong Kong 2020-21 Budget Insights</a></li></ul> <p><b>Government materials</b></p> <ul style="list-style-type: none"><li>▶ <a href="#">Government budget announcement</a></li><li>▶ <a href="#">HK tax authority announcement</a></li><li>▶ <a href="#">Government relief measures (8 April 2020)</a></li></ul>

## 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 and 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 three 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 one to three 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
- ▶ On March 27, 2020, The Reserve Bank of India has announced several measures with the objective of providing stimulus to the economy due to the economic distress created by Covid-19 induced lockdowns
  - ▶ Reduction in the policy repo rate under the Liquidity Adjustment Facility (LAF)

## 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\*

- ▶ Payment of tax for the months of February, March and April 2020, extended till last week of June 2020. However, where person having annual turnover of more than \$700K opts for such extension, they have to discharge interest @9% per annum from 15 days after due date of filing return.
- ▶ No late fee shall be payable for delayed filing of statement (Form GSTR-1) and return (Form GSTR-3B)
- ▶ Restriction on availability of unmatched ITC shall not apply for the months February to August 2020. However, return for September 2020 shall be furnished with cumulative adjustment of ITC for February to August 2020
- ▶ Due date for opting composition scheme extended till last week of June 2020
- ▶ Due dates for making payments for the quarter ending 31 March 2020 and filing of return for tax year 2019-20 by the Composition dealers extended till last week of June 2020
- ▶ Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under GST laws and Indian Custom Laws where the time limit is expiring between 20 March 2020 to 29 June 2020, extended to 30 June 2020
- ▶ 24X7 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.
- ▶ Validity of e-way bill expiring during the period 20 March 2020 to 15 April 2020 shall be deemed to have been extended till 30 April 2020.
- ▶ The validity of Foreign Trade Policy 2015-2020 (FTP), Handbook of Procedures (HBP) and export promotion schemes (except Service Exports from India Scheme) have been extended by one year from 31 March 2020 to 31 March 2021.

\* These measures have been enacted by way of Notifications issued by the relevant Departments and/or an Ordinance signed by the President of India



## Business tax

- ▶ Due date for filing belated returns and revised return for tax year 2018-19 has been extended from 31 March 2020 to 30 June 2020
- ▶ Direct Tax Amnesty Scheme (Vivaad se Vishwas) extended from 31 March 2020 to 30 June 2020 at no additional 10% amount.
- ▶ No penalty or fees would be levied on delay in payment of advance tax, self-assessment tax, tax deducted at sources, tax collected at source, equalization levy, STT, CTT payable during the period 20 March 2020 to 29 June 2020
- ▶ Interest on delay in payment of such amounts will be subjected to a lower interest rate of 9% as against the existing rate of 12%/18% as applicable
- ▶ Due dates for the activities listed below 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 falling within the period 20 March 2020 to 29 June 2020 shall be extended to 30 June 2020:
  - ▶ Issue of any notice, intimation, approval, reports, documents etc.
  - ▶ Filing of any appeal, application or responses [including Advance Pricing Agreements]
  - ▶ Any action under the Income Tax Act to make investments, acquisition, purchase or construction for claiming any capital gains roll-over exemption or any other deductions
  - ▶ Beginning activity of manufacture or production of article or things for newly established units in Special Economic Zone
- ▶ Any donation made to newly found Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund ('PM Cares Fund') shall be eligible for 100% deduction (including for companies claiming concessional tax rate)
- ▶ Validity of Nil/Lower withholding tax orders obtained for tax year 2019-20 extended till 30 June 2020 or disposal of application for 2020-21 certificate (in cases where application for tax year 2020-21 has been made), whichever is earlier
  - ▶ All new withholding tax applications for tax year 2020-21 to be made by email
  - ▶ New applications made by non-residents having a PE in India (and not having a Nil/ lower withholding tax certificate for tax year 2019-20) shall be subject to 10% withholding till 30 June 2020 or disposal of application, whichever is earlier

## Links and resources

### Government materials

- ▶ <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR2129F5E23A447E0F4A00955429716C53F5A2.PDF>
- ▶ <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR21302E204AFFBB614305B56DD6B843A520DB.PDF>
- ▶ [https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=49584](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=49584)
- ▶ [http://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular\\_Refund\\_136\\_6\\_2020.pdf;jsessionid=6048F976EB381AF4C485AB74F4D39B68](http://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular_Refund_136_6_2020.pdf;jsessionid=6048F976EB381AF4C485AB74F4D39B68)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ 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"> <li>▶ Employee Income Tax borne by the Government.</li> <li>▶ Import tax exemptions.</li> <li>▶ 30% reduction of CIT instalments.</li> <li>▶ In advance VAT refund claims.</li> </ul> </li> <li>▶ Key non-tax strategies includes (1) improved export and import procedures, and (2) banks restructuring and rescheduling loans.</li> <li>▶ The Government issued a Regulation In Lieu of Laws on 31 March 2020 and is in effect immediately<sup>1</sup>, which includes the following changes of tax policies:                             <ul style="list-style-type: none"> <li>▶ Reduced CIT rate.</li> <li>▶ Implementation of taxes on the digital economy.</li> <li>▶ 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” period<sup>2</sup>.</li> <li>▶ MOF is authorized to determine policy related to import tax duty exemption.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ 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"> <li>▶ Companies that are registered under any of 440 sector codes (which are predominantly manufacturing); and/ or</li> <li>▶ Companies that are registered as export oriented companies (KITE status); and</li> <li>▶ Any employees whose regular income does not exceed IDR200 million (cUSD13k) per year.</li> </ul> </li> <li>▶ Extension of annual individual tax return filing timeline</li> <li>▶ Late payment and filing of individual tax returns from 1 April to 30 April 2020 are exempt from penalty.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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"> <li>▶ Registered under any of 102 manufacturing sector codes; and/or</li> <li>▶ Registered as export-oriented companies (KITE status).</li> </ul> </li> <li>▶ New VAT collection mechanism on digital products and service transactions is in effect from 31 March 2020<sup>1</sup>. 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The following incentives are available for the tax period from April until September 2020:                             <ul style="list-style-type: none"> <li>▶ 30% reduction of CIT instalments; and/ or</li> <li>▶ Import tax exemptions (non-final withholding tax relief).</li> </ul> </li> <li>The incentives are available to qualified companies that are:                             <ul style="list-style-type: none"> <li>▶ Registered under any of 102 manufacturing sector codes; and/or</li> <li>▶ Registered as export-oriented companies (KITE status).</li> </ul> </li> <li>▶ The following changes of tax policies are issued and in effect on 31 March 2020<sup>1</sup>:                             <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ A digital permanent establishment concept and an electronic transaction tax have been introduced. Implementing regulations will be issued soon.</li> </ul> </li> </ul>	<p>Government materials in Bahasa:</p> <ol style="list-style-type: none"> <li>1. <a href="https://www.pajak.go.id/id/peraturan-menteri-keuangan-nomor-23pmk032020">https://www.pajak.go.id/id/peraturan-menteri-keuangan-nomor-23pmk032020</a></li> <li>2. <a href="https://www.pajak.go.id/id/keputusan-direktur-jenderal-pajak-nomor-kep-156pj2020">https://www.pajak.go.id/id/keputusan-direktur-jenderal-pajak-nomor-kep-156pj2020</a></li> <li>3. <a href="https://www.ojk.go.id/id/regulasi/Pages/Stimulus-Perekonomian-Nasional-Sebagai-Kebijakan-Countercyclical-Dampak-Penyebaran-Coronavirus-Disease-2019.aspx">https://www.ojk.go.id/id/regulasi/Pages/Stimulus-Perekonomian-Nasional-Sebagai-Kebijakan-Countercyclical-Dampak-Penyebaran-Coronavirus-Disease-2019.aspx</a></li> </ol> <p>EY materials</p> <ul style="list-style-type: none"> <li>• <a href="https://www.ey.com/Publication/vwLUAssets/ey-indonesia-tax-alert-31-March-2020/\$File/ey-indonesia-tax-alert-31-March-2020.pdf">https://www.ey.com/Publication/vwLUAssets/ey-indonesia-tax-alert-31-March-2020/\$File/ey-indonesia-tax-alert-31-March-2020.pdf</a></li> </ul>

<sup>1</sup> 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.

<sup>2</sup> 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 penalties applicable to the late payment of the February 2020 social security contributions, which were 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. The scheme enables employees, whose employers are affected by the pandemic, to receive significant supports directly from their employer through the payroll system.
  - ▶ Initially, from 26 March 2020, the subsidy scheme will refund employers up to a maximum of €410 per each qualifying employee (however, employers should pay no more than the normal weekly net pay of the employee).
  - ▶ Employers will be reimbursed for amounts paid to employees and notified to the Irish Tax Authority via the payroll process.
  - ▶ In April, the scheme will move to a subsidy payment based on up to 70% of the normal net weekly pay for each employee to a maximum of €410. 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.

## Overview (continued)

- ▶ 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.
- ▶ The Irish Revenue have also issued clarifying guidance to assist companies during Covid-19 on issues such as Benefits in Kind (BIKs) and other payroll related obligations
- ▶ For property owners who opted to pay their Local Property Tax for 2020 by Annual Debit Instruction or Single Debit Authority payment, the deduction date will change from 21 March 2020 to 21 May 2020.

## Personal tax

- ▶ 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 has been 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 has been suspended for January/February and March/April VAT for SMEs.
- ▶ 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.
- ▶ Goods imported by State organizations, State and Public bodies or other certain organizations approved by Irish Revenue can import goods to combat the effects of Covid-19 from outside the EU without payment of Customs Duty and VAT from 30 January 2020 to 31 July 2020. An application form is available on the Irish Revenue's website.

## Business tax

- ▶ 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, 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 (ROS). The processing of refunds will be prioritized in the absence, due to Covid-19, of tagged financial accounts (where applicable) as part of the tax return for accounting periods ending on or after March 2019, subject to appropriate checks in selected cases.
- ▶ 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. Businesses can apply for a Phased Payment Arrangement online through ROS.
- ▶ 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 above two 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.
- ▶ The application of interest on late payments is suspended for February, March and April (employers) payroll liabilities for SMEs.

## 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 30 March an NIS80 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, and that NIS7 billion will be extended as such loans to large businesses.**
- ▶ This SME program is designated for Israeli businesses with a maximal NIS400 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 (and up to a maximal amount of NIS20 million), with favorable terms (e.g., five-year loan, average interest rate of Prime+1.5% that will not be paid for the first year, twelve-month grace period on the principal, reduced 5% security deposit, etc.). In addition, the request will 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 processed within 7 business days from filing.
- ▶ The large enterprises program is designated for Israeli businesses with an annual turnover higher than NIS400 million, to which the loan amount will be 8% of the latest annual turnover.

### 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

- ▶ Under certain conditions, the Israeli Government will also extend special grants to self-employed individuals if their taxable income did not exceed NIS150,000 in 2018, in two stages - NIS6,000 this month and NIS8,000 next month, although each of the grants may be limited to 65% of the average monthly income for the year.



## 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 defined by the ITA rather than by the taxpayer. The following is a non-exhaustive list 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\\_16032020\\_b](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, short-time working allowance extended to all sectors and special indemnity for the 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.
- ▶ Additional measures were introduced by Law Decree n. 23/2000, dubbed "Liquidity Decree", published in the Official Gazette on 8 April 2020.
- ▶ The Liquidity Decree provides for additional deferrals of tax and social contribution payments for all taxpayers who experienced a strong decrease in their turnover in the months of March and April 2020 and the possibility for enterprises to get a public guarantees covering up to 100% of banking loans. The public guarantee system should generate injection of new liquidity for EUR 400 billion and should cover 100% of the banking loan up to 800k EUR for small and medium enterprises (up to 499 employees), 90% for enterprises up to 5,000 employees with a 1.5 billion maximum turnover, and 70/80% for larger corporations.

## Personal tax

- ▶ **Tax payments** - Payment of taxes, withholdings and social contributions due on 16 March 2020 were postponed to 16 April 2020. Payment of WHT on employment income and social security contributions 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 five equal monthly instalments). WHTs on income derived till 31 May by professionals with turnover up to EUR 400,000, with no employment expenses during the previous month, are replaced by self-assessed payments due by 31 July 2020 (in full or in five equal monthly instalments).
- ▶ Taxpayers can rely on the forecast method to pay FY2020 personal tax advance payments (vs the historical method based on previous FY incomes). In the case of an underestimation of the forecast advance payments within a range of 20%, no penalties and interest apply.
- ▶ **Tax credit for sanitation** - A tax credit of 50% of the cost for sanitizing the environment and work tools and for the purchase of protection instruments against the Covid-19 up to a maximum of EUR 20,000.
- ▶ **Tax filings** - Filings due between 8 March 2020 and 31 May 2020 are postponed to 30 June 2020. Moreover, the terms for filing the compensation certificate (so called "certificazione unica") is postponed to 30 April 2020.
- ▶ **Statute of limitations** - 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.
- ▶ **Deferral of collection** - Payments originally due during the period between 8 March and 31 May 2020 arising from a variety of collection deeds such as tax bills, tax assessment notices, bills issued by Social Security Contribution Authorities etc. are postponed to 30 June 2020. Installments due according to certain Tax Amnesty Programs introduced in the past years may also be deferred.
- ▶ **Suspension of tax litigation** - Tax court hearings are postponed to a date after 11 May 2020 and the terms for filing appeals before tax courts of first instance and other procedures are suspended until 11 May 2020.

## VAT, GST and trade

- ▶ **Tax payments** - Payment of VAT due on 16 March 2020 was postponed to 16 April 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). The deferment should not apply to Italian VAT registrations of non-established taxable persons.
- ▶ Payment of VAT due on the period between 1 April and 31 May 2020 by self-employed and enterprises with a previous FY turnover not higher than EUR 50 million who suffered March and April 2020 a turnover reduction of at least 33% compared to March and April of the previous FY is deferred to 30 June 2020 (in full or in five equal monthly instalments). Self-employed and enterprises, located in specific areas (e.g., Bergamo, Cremona, Lodi and Piacenza provinces), can benefit from such deferral even if their previous FY turnover was higher than EUR 50 million. The same deferral applies to self-employed and enterprises with a previous FY turnover higher than EUR 50 million that suffered in such months of a turnover reduction of at least 50% compared to March and April of the previous FY. The deferral applies without specific requirements to all enterprises and self employed who started their activities after 31 March 2019.
- ▶ Self-employed and enterprises can postpone the payment of stamp duties linked to the electronic invoicing without penalties and interest as follows: (i) the stamp duty due for the first quarter of FY 2020 can be paid within the deadline referred to the second quarter if the tax due is lower than EUR 250, (ii) the stamp duty due for the first and second quarters of FY 2020 can be paid within the deadline referred to the third quarter if the cumulative tax due is lower than EUR 250.
- ▶ **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. The deferment should not apply 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 11 May 2020 and the terms for filing appeals before tax courts of first instance and other procedures are suspended until 11 May 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.
- ▶ **Deferral of collection** - Payments originally due during the period between 8 March and 31 May 2020 arising from a variety of collection deeds such as tax bills, tax assessment notices, bills issued by Social Security Contribution Authorities etc. are postponed to 30 June 2020. Installments due according to certain Tax Amnesty Programs introduced in the past years may also be deferred.

**Business tax**

- ▶ **Tax payments** - Payment of taxes, WHT and social contributions due on 16 March 2020 were postponed to 16 April 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).
- ▶ Payment of WHT on employment income and social security contributions originally due on the period between 1 April and 31 May 2020 by enterprises with a previous FY turnover not higher than EUR 50 million who suffered in March and April 2020 of a turnover reduction of at least 33% compared to March and April of the previous FY is deferred to 30 June 2020 (in full or in 5 equal monthly instalments). Enterprises, located in specific areas (e.g., Bergamo, Cremona, Lodi and Piacenza provinces), can benefit from such deferral even if their previous FY turnover was higher than EUR 50 million. The same deferral applies to enterprises with a previous FY turnover higher than EUR 50 million that suffered in March and April 2020 of a turnover reduction of at least 50% compared to March and April of the previous FY. The deferral applies without specific requirements to all enterprises who started their activities After 31 March 2019.
- ▶ Enterprises can rely on the forecast method to pay FY2020 Corporate Taxes (i.e. IRES and IRAP) advance payments (vs the traditional historical method based on previous FY incomes). In case of an underestimation of the forecast advance payments within a range 20%, no penalties and interest apply.
- ▶ **Tax filings** - Filings due between 8 March 2020 and 31 May 2020 are postponed to 30 June 2020. Moreover, the terms for filing the compensation certificate (so called "certificazione unica") is postponed to 30 April 2020.
- ▶ **Tax credit for sanitation** - A tax credit of 50% of the cost for sanitizing the environment and work tools and for the purchase of protection instruments against the Covid-19 up to a maximum of EUR 20,000.
- ▶ **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 that dispose by 31 December 2020 of receivables due for more than 90 days, may claim under certain limits a conversion into a tax credit of the existing, although possibly unrecognized, Deferred Tax Assets (DTAs) associated with: a. Tax losses carried forward-b. Excess notional interest deduction carried forward. Tax credits resulting from the above conversion 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 11 May 2020 and the terms for filing appeals before tax courts of first instance and other procedures are suspended until 11 May 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.
- ▶ **Deferral of collection** - Payments originally due during the period between 8 March and 31 May 2020 arising from a variety of collection deeds such as tax bills, tax assessment notices, bills issued by Social Security Contribution Authorities etc. are postponed to 30 June 2020. Installments due according to certain Tax Amnesty Programs introduced in the past years may also be deferred.

## 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.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](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

- ▶ On 31 March 2020 the Ivory Coast Government introduced tax measures in response to the Covid-19 pandemic.

## Personal tax

- ▶ Suspension of tax audits for a period of three months
- ▶ Three month deferral of payment of taxes, levies and similar payments due to the State, as well as social charges.

## VAT, GST and trade

- ▶ Suspension of tax audits for a period of three months
- ▶ Deferral for a period of three months of the payment of taxes, levies and similar payments due to the State, as well as social charges
- ▶ Exemption from import duties and taxes on health equipment, materials and other health inputs used in the fight against Covid-19
- ▶ VAT credits reimbursement within two weeks, due to a reduction in prior checks and the increase of post checks.

## Business tax

- ▶ Suspension of tax audits for a period of three months;
- ▶ Three months deferral for the payment of taxes, levies and similar payments due to the State as well as social charges.

## Links and resources

### Government materials

- ▶ <http://www.presidence.ci/messag-e-a-la-nation-de-s-e-m-lassane-ouattara-relatif-a-la-pandemie-de-la-maladie-a-coronavirus-2019-covid-19/>
- ▶ <http://www.gouv.ci/>

## Overview

- ▶ 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.

## Personal tax

- ▶ 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.

## VAT, GST and trade

- ▶ 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%.

## Business tax

- ▶ 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:
  - ▶ 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.

## Links and resources



## Overview

- ▶ On 27 February 2020, in light of the Covid-19 pandemic, the National Tax Agency of Japan announced individual income tax and gift tax return and payments extensions, and delayed individual consumption tax filing deadlines and payments.
- ▶ On 6 April 2020, the National Tax Agency of Japan announced further extensions of individual income tax, gift tax and individual consumption tax filing deadlines and payments.
- ▶ On 7 April 2020, the government announced an additional stimulus package which includes various tax measures to address the financial difficulties that businesses are facing.

## Personal tax

- ▶ The deadline for the submission of individual income tax and gift tax returns for 2019 and payments are extended for one month to 16 April 2020 from 16 March 2020.
- ▶ On 6 April 2020, the National Tax Agency of Japan announced that a further extension is available for those impacted by the crisis.
- ▶ Non-refundable tickets for certain cancelled events are subject to deduction/tax credit.
- ▶ The conditions of the home mortgage tax credit is relaxed.

## VAT, GST and trade

- ▶ The filing deadlines for individual consumption tax returns for 2019 and payments are delayed by a half month until 16 April 2020.
- ▶ On 6 April 2020, the National Tax Agency of Japan announced that a further extension is available for those impacted by the crisis.
- ▶ A late election to be a voluntary taxpayer for consumption tax purposes is available, which is generally due by the end of the taxable period preceding the taxable period for which the election is made, if gross income decreases by 50% or more.

## Business tax

- ▶ Any corporate tax payments are deferred for up to a year without interest and collateral if gross income decreases by 20% or more.
- ▶ Corporations with common capital of JPY1 billion (USD10 million) or less (except those controlled by another company with common capital of more than JPY1 billion (USD10 million)) are eligible for one year NOL carry-back.
- ▶ Certain telework equipment introduced in accordance with certified investment plan is eligible for 7-10% tax credit or 100% accelerated depreciation.
- ▶ Property tax and City planning tax for qualified SMEs are reduced by 50% if gross income decreases by 30% or more, and by 100% if gross income decreases by 50% or more.
- ▶ Investment in high-productivity buildings and structures are added to the scope of lower Property tax.
- ▶ Stamp duty is not imposed on loan agreements if associated with Covid-19 related loans.

## Links and resources

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## Overview

- ▶ 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.
- ▶ Effective 17 March 2020, Jordan's National Defense Law No. 13 of 1992 (the "Defense Law") was passed by the Jordanian Prime Minister, putting in force military control over normal government operations and giving the Prime Minister the right to suspend the application of existing laws.
- ▶ On 30 March 2020, Defense Order No. 5 was released, which suspended the following due dates and periods, effective 18 March 2020:
  - All due dates and periods specified in effective Jordanian laws, including the terms of limitation to initiate legal proceedings.
  - All due dates and periods for taking any action at any governmental ministry or department, or any public or official institution in accordance with effective Jordanian laws, including the Social Security Corporation.
  - The dates for filing general and special sales tax returns that become due during the period that the Defense Law is in effect.
- ▶ The Order excludes the suspension of due dates related to payment of any financial obligations.

## Personal tax

## VAT, GST and trade

- ▶ 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.
- ▶ 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:
  - 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
- ▶ On 30 March 2020, the dates for filing general and special sales tax returns that are due during the period that the Defense law is in effect has been suspended.

## Business tax

## Links and resources

### EY Materials

<https://globaltaxnews.ey.com/news/2020-5422-jordan-announces-economic-measures-to-reduce-the-impact-of-covid-19>

## Overview

- ▶ The Government adopted Resolutions No. 126 of 20 March 2020 and No. 141 of 27 March 2020 for support of taxpayers during the state of emergency that was declared with respect to the Covid-19 pandemic
- ▶ Some tax relief measures are provided for retail, entertainment (cinemas, theaters, exhibitions), sport (fitness and sports facilities), tourism, foodservice, hotel services and agriculture
- ▶ The deadlines for submission of annual tax returns were extended from 31 March to 30 April 2020, if they are submitted electronically
- ▶ Deferral of payment of all taxes and social payments is provided to taxpayers classified as micro, small or medium-sized enterprises until 1 June 2020
- ▶ Taxpayers classified as micro, small or medium-sized enterprises (except for high-risk taxpayers) are entitled to:
  - ▶ Non-application of tax arrears collection measures and extension of the deadlines for replying to in-house control notifications of the tax authorities that occur during the state of emergency to 1 June 2020.
  - ▶ Suspension of the duration of tax inspections for the period of the state of emergency, with the suspension period not included in the inspection period.

## Personal tax

- ▶ Personal income tax will be levied at 0% for 2020 for individual entrepreneurs subject to the general taxation regime

## VAT, GST and trade

- ▶ The Ministry of National Economy will include cattle and pedigree chickens in the list of imported goods for which VAT is paid by the offset method.
- ▶ Until 1 October 2020, the VAT rate is set at 8% (instead of 12%) on sales and imports of goods included in the list of socially important food products.

## Business tax

- ▶ Property tax is set at 0% for 2020 for legal entities and individual entrepreneurs with respect to:
  - ▶ large retail facilities, shopping and entertainment centers, cinemas, theaters, exhibitions, fitness and sports facilities;
  - ▶ taxable objects used for income generating activities in the fields of tourism, foodservice and hotel services.
- ▶ Land tax is set at 0% for 2020 on agricultural lands for manufacturers of agricultural products.
- ▶ With respect to all taxes for taxpayers mentioned above (except for those involved in the fields of tourism, foodservice and hotel services), relief is provided in the form of:
  - ▶ suspension until 15 August 2020 of interest accrual for late payment of taxes;
  - ▶ extension of tax return deadlines to the 3<sup>rd</sup> quarter of 2020.
- ▶ Exemption from excise duties on exported gasoline (except for aviation gasoline) and diesel fuel is provided for producers of excisable goods until 31 December 2020.
- ▶ There are also some other tax administration relief measures (e.g., extension of deadlines for tax returns, deferral of tax payments and suspension of tax audits) for some taxpayers→

## Links and resources

### Government materials

- ▶ <https://primeminister.kz/ru/decisions/27032020-141>
- ▶ <https://primeminister.kz/ru/decisions/20032020-126>

## 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, 25<sup>th</sup> 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	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"><li>▶ On 31 March 2020, as part of the plan for the provision of fiscal measures to support entrepreneurship, the Government of the Kyrgyz Republic decided the following:<ul style="list-style-type: none"><li>▶ To provide deferrals and installments for the payment of tax and social insurance debts arising from the time of the imposition of the state of emergency (22 March 2020)</li><li>▶ To not apply tax sanctions and penalties for overdue fulfillment of tax obligations, until 1 July 2020</li><li>▶ To extend the terms of the widespread implementation of components of the electronic system of fiscalization of tax procedures until 1 July 2020</li><li>▶ To extend the deadline for the submission of the Unified Tax Declaration for individuals and individual entrepreneurs until 1 April 2021</li><li>▶ To extend the deadlines for submission of tax and social insurance reports for business entities until 1 July 2020, upon condition of timely payments</li><li>▶ To extend the moratorium on inspections by state regulatory authorities until 1 January 2022</li><li>▶ To impose a restriction on field tax audits until 1 January 2021, except:<ul style="list-style-type: none"><li>▶ Scheduled inspections of business entities engaged in production and turnover of excisable goods groups</li><li>▶ Unscheduled inspections conducted in the case of a reorganization, liquidation or termination of activity of an individual entrepreneur</li><li>▶ Unscheduled inspections and counterchecks carried out in the case of receipt by the tax authorities of documented information testifying to the facts of an incorrect tax calculation by a taxpayers after the end of the state of emergency</li></ul></li></ul></li></ul>	<ul style="list-style-type: none"><li>▶ The Government of the Kyrgyz Republic has extended the deadline for the submission of the Unified Tax Declaration for individuals to 1 April 2021 (from 1 April 2020).</li></ul>			

## Overview

- ▶ Responding to Covid-19 spread and its impact on the Laotian economy (and in particular on the tourism & hospitality sector), the Prime Minister has issued Decision No.31/PM dated 2 April 2020 relating to policies and measures that will provide tax stimulus and support economic recovery.

## Personal tax

- ▶ Exemption of Personal Income Tax (Payroll Tax) on the salaries of private sector employees and public sector officials who earn less than LAK 5,000,000 (approx. USD 550) per month, for a period of 3 months (April, May and June 2020).
- ▶ Postponement of the payment of Social Security contributions for companies impacted by Covid-19 for a period of three months (April, May, June 2020).

## GST, VAT and trade

- ▶ Exemption of customs duty and import taxes for goods imported for Covid-19 prevention and treatment purposes such as face masks, hand sanitizers, medical equipment.
- ▶ Companies operating in tourism sector are provided with a tax filing postponement of three months, starting April;
- ▶ The deadline for filing 2019 financial statements submission has been postponed from 31 March to 30 April 2020.
- ▶ Payment of the road tax fee has been postponed from 31 March to 30 April 2020.

## Business tax

- ▶ Exemption of Income Tax for micro-enterprises for a period of three months (April, May, June 2020).

## Links and Resources

### Government materials

- ▶ [Prime Minister's Decision No.31/PM dated 02 April 2020](#)
- ▶ <https://www.mof.gov.la/>
- ▶ <http://taxservice.mof.gov.la/>



## 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	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>► Extension of certain tax declaration and payment deadlines.</li> <li>► 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.</li> <li>► Submission of the taxpayers compliance documentation to different tax departments by email communication.</li> <li>► Extension of the deadline to submit the online declaration and its related payment of Movable Capital Tax due on revenues earned abroad by tax residents in Lebanon till 30 April 2020.</li> <li>► Extension of contributions settlement deadline and social security forms submission deadlines for 2019</li> </ul>	<ul style="list-style-type: none"> <li>► 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).</li> <li>► 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.</li> <li>► 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.</li> <li>► On 6 April 2020, the Social Security Authority issued an Informative Memorandum to extend the settlement deadline of the monthly (i.e. for the months of January to June 2020) and quarterly (i.e. the first and second quarters of the year 2020) contributions by six months beyond their original deadlines. Furthermore, the deadline for filing 2019 annual social security forms is extended until 30 September 2020.</li> </ul>	<ul style="list-style-type: none"> <li>► 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;</li> <li>► 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.</li> </ul>	<ul style="list-style-type: none"> <li>► 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).</li> <li>► 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 till 30 April 2020;</li> <li>► 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.</li> <li>► On 31 March 2020, a decision was released by the MOF to extend the deadline to submit the online declaration and its related payment of Movable Capital tax due on revenues earned abroad by tax residents in Lebanon till 30 April 2020.</li> </ul>	

## 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-19 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-19 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 15<sup>th</sup> March to 30<sup>th</sup> March.

## Links and resources

### Government materials

- ▶ The Lithuanian tax authorities site: [www.vmi.lt](http://www.vmi.lt)

### EY materials

- ▶ EY tax news portal: [www.vedlys.ey.com](http://www.vedlys.ey.com)

## Overview

**The Government has issued 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 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-Luxembourg double tax treaty as from 14 March 2020.

### Suspension of the 19 days tolerance rules for cross-border workers between Germany and Luxembourg

- ▶ Germany and Luxembourg authorities have agreed to suspend the application of the 19 days tolerance rule for cross-border workers under the Germany-Luxembourg double tax treaty. effective 11 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/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://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/16-lux-be-teletravail.html);
- [https://gouvernement.lu/fr/actualites/toutes\\_actualites/communiqués/2020/03-mars/19-travailleurs-transfrontaliers.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/20-dispositions-reunions.html);
- [https://gouvernement.lu/en/actualites/toutes\\_actualites/communiqués/2020/03-mars/19-cotisations-sociales.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\\_Jurisdictionnelle/index.html](http://mj.public.lu/actualites/2020/03/Suspension_Jurisdictionnelle/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"><li>▶ 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-19. It is expected that an ordinance for economic measures is adopted on 25 or 26 March.</li></ul>			<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ 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 Covid-19.</li><li>▶ 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.</li><li>▶ Decreasing of the late penalty interest for public debts from 0,03% to 0,015% per day;</li><li>▶ Decreasing of the reference interest rate from 2% to 1,75%.</li><li>▶ Decreasing of the legal penalty interest from 10% to 5% for legal entities and from 8% to 4% for individuals.</li></ul>	

## 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 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 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 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 (continued)

- ▶ 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

- ▶ The Malta Development Bank launched the Covid-19 Guarantee Scheme (CGS). The CGS provides guarantees to commercial banks in order to enhance access to bank financing for the working capital requirements of businesses in Malta facing a sudden acute liquidity shortage as a result of the Covid-19 outbreak. This scheme was approved by the European Commission under the Temporary Framework for State aid measures to support the economy in the current pandemic.
- ▶ Malta Enterprise has made available a number of schemes, including:
  - ▶ Wage supplements providing for basic wage coverage for enterprises (including the self-employed) operating in certain sectors. The amount of wage supplement will vary depending on the particular sector but is capped at a monthly wage of €800.
  - ▶ A grant of €350 per employee is provided to businesses (including the self-employed) that had full-time employees on mandatory quarantine leave. The grant is also available to full time self-employed persons who had to undergo mandatory quarantine.
  - ▶ A cash grant is granted to employers investing in technology enabling teleworking. The grant is equal to 45% of the eligible cost, subject to a capping €500 per teleworking agreement and €4,000 per undertaking.
- ▶ Social Security will provide the following:
  - ▶ Temporary increases in benefits paid to individuals whose full-time job has been terminated (including the self-employed).
  - ▶ Temporary benefits to persons with disabilities who opt to stay home for health and safety reasons.
  - ▶ Temporary benefits to persons who are parents working in the private sector, where one of the parents is required to stay at home to take care of school-aged children.
  - ▶ Temporary benefits to persons working in the private sector, where they have been ordered to remain at home and, due to them being unable to work from home, they are not being paid by their employer.
- ▶ The Government of Malta will also increase rent subsidies for individuals who have their job terminated.

## Personal tax

- ▶ 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 payments will be required to be settled in four equal monthly instalments in the four month period between May and August 2020.

## VAT, GST and trade

- ▶ 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.

## Business tax

- ▶ 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.

## Links and resources

### Government materials

- ▶ 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/>

### EY Materials

- ▶ Update 1: [https://www.ey.com/en\\_mt/covid-19-emergency-measures](https://www.ey.com/en_mt/covid-19-emergency-measures)
- ▶ Update 2: [https://www.ey.com/en\\_mt/covid-19-emergency-measures-2](https://www.ey.com/en_mt/covid-19-emergency-measures-2)
- ▶ Update 3: [https://www.ey.com/en\\_mt/covid-19-emergency-measures-21](https://www.ey.com/en_mt/covid-19-emergency-measures-21)
- ▶ Update 4: [https://www.ey.com/en\\_mt/covid-19-emergency-measures-211](https://www.ey.com/en_mt/covid-19-emergency-measures-211)
- ▶ Update 5: [https://www.ey.com/en\\_mt/covid-19-emergency-measures-2111](https://www.ey.com/en_mt/covid-19-emergency-measures-2111)

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 13 March 2020, the Mauritian Ministry of Finance issued a Plan document that aimed to support economic operators across all sectors so as to minimize the adverse impact of Covid-19.
- ▶ Subsequent to issue of this Plan, the Mauritius Revenue Authority (MRA ) has released various circulars setting out Covid-19 tax relief measures.
- ▶ 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 expiring this year will be automatically extended to 31 December 2021.
- ▶ Contributions by individuals to the Covid-19 Solidarity Fund through 31 December 2020 would qualify for deduction. Contributions made through 30 June 2020 would be the subject matter of the annual income tax return (ATR) for the year of assessment 2020/2021, while contributions made during the six months ending 31 December 2020 would be the subject matter of the 2021/2022 ATR. Any unutilized contributions would be utilized during the succeeding two income years.
- ▶ The MRA has advised that no interest and penalties will apply if non-submission of a tax return or non-payment of any tax is the result of the current curfew order.

## VAT, GST and trade

- ▶ As from 24 March 2020, the following items are treated as zero-rated supplies for VAT:
  - ▶ Hand sanitizers
  - ▶ Protective masks against dust, odors and the like
  - ▶ Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters.
- ▶ The above goods were previously standard rated supplies for VAT purposes.
- ▶ The MRA has advised that no interest and penalties will apply if non-submission of a tax return or non-payment of any tax is the result of the current curfew order.

## Business tax

- ▶ Enterprises affected by Covid-19 will be entitled to a double deduction on their investment in plant and machinery for the period from 1 March to 30 June 2020.
- ▶ Contributions made by companies to the Covid-19 Solidarity Fund will also qualify for deduction. While it is not clear, it is assumed that only contributions made during the period up to 31 December 2020 would qualify for relief.
- ▶ The MRA has advised that no interest and penalties will apply if non-submission of a tax return or non-payment of any tax is the result of the current curfew order.

## Links and resources

### EY Materials

- ▶ <https://taxnews.ey.com/news/2020-0889-mauritius-introduces-fiscal-incentives-in-response-to-covid-19>

### Government materials

- ▶ [http://mof.govmu.org/English/DOCUMENTS/PLAN%20DE%20SOUTIEN\\_13%20MARCH%2020.PDF](http://mof.govmu.org/English/DOCUMENTS/PLAN%20DE%20SOUTIEN_13%20MARCH%2020.PDF)
- ▶ <http://www.mra.mu/download/Communique240320.pdf>
- ▶ <http://www.mra.mu/download/Communique010420.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. No extension of this suspension has been announced.
- ▶ The President and the Tax Administration Service have officially confirmed that there will be no tax incentives or deadline extensions.

## Personal tax

## VAT, GST and trade

## Business tax

- ▶ Local incentives for State taxes such as payroll and lodging are available in the form of relief or deadline extensions for the following States:
  - ▶ Aguascalientes
  - ▶ Baja California Sur
  - ▶ Ciudad de Mexico
  - ▶ Colima
  - ▶ Durango
  - ▶ Estado de Mexico
  - ▶ Hidalgo
  - ▶ Michoacan
  - ▶ Morelos
  - ▶ Nuevo Leon
  - ▶ Oaxaca
  - ▶ Quintana Roo
  - ▶ San Luis Potosi
  - ▶ Sonora
  - ▶ Zacatecas

## Links and resources

## Overview

- ▶ The Moldovan Parliament declared a state of emergency until 15 May 2020.
- ▶ Several measures (including from fiscal point of view) have been implemented recently by the Moldovan Government for the purpose of supporting the economy and mitigating the negative impact caused by coronavirus spread.
- ▶ A moratorium restricting the performance of tax audits by the authorities was introduced and is in place until 1 June 2020.

## Personal tax

- ▶ The deadline for submitting and payment of the Personal Income Tax Return due by individuals for the fiscal year 2019 was extended from 30 April 2020 to 29 May 2020.
- ▶ During the state of emergency period, the Moldovan Government will refund payroll taxes, including Personal Income Tax, Social Security Contributions and Medical Insurance Contributions (under certain specific percentages and rules) for entities who had to cease their business activity, due to the anti-epidemic restrictions and continue to pay salary to the employees who were temporarily furloughed.

## VAT, GST and trade

- ▶ With effect from 1 May 2020, the VAT rate for the HORECA industry (hotel, restaurants and café services) will be reduced from 20% to 15%.

## Business tax

- ▶ The deadline for the advance payment of the Corporate Income Tax due for Quarter 1 2020 was extended to 25 June 2020.
- ▶ The deadline for submission and payment of income tax, real estate tax, land tax and local taxes for 2019 by individual entrepreneurs and farmers which are not VAT payers and have up to 3 employees was extended to 25 April 2020
- ▶ The deadline for submission and payment of the Income Tax Return for the year 2019 by the small and medium-sized entities subjects to income tax applied on operational activity income was extended to 25 April 2020
- ▶ The deadline for submission of the standalone Financial Statements for 2019 year was extended to 29 May 2020.
- ▶ The mandatory external audit of the Financial Statements for 2019 of medium and large-sized entities was cancelled.
- ▶ Local business entities have the right to deduct for Corporate Income Tax purposes any donations made during the year 2020 for the aim to fight with Covid-19 transferred to the bank accounts opened by the Ministry of Finance or to the public medical-sanitary institutions.

## Links and resources

### Government materials

- ▶ <https://gov.md/ro/content/informatii-privind-coronavirus>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"><li>▶ Postponement of repayment of loans at the request of citizens and economy for 90 days;</li><li>▶ Postponement of payment of taxes and contributions on salaries as well as obligations under the Law on Rescheduling of Tax Claims;</li><li>▶ 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%);</li><li>▶ Postponement of payment of lease of state-owned real estate, also for a period of 90 days;</li><li>▶ Advance payment of service providers and contractors on started capital projects with the provision of a bank guarantee;</li></ul>	<ul style="list-style-type: none"><li>▶ The payment of taxes and contributions on salaries is postponed for 90 days</li></ul>		<ul style="list-style-type: none"><li>▶ FS and CIT return filing extended to 15<sup>th</sup> of April 2020</li></ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"><li>▶ <a href="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.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</a></li><li>▶ <a href="http://www.poreskauprava.gov.me/vijesti/223115/SAOPsT-ENJE-Mjere-za-podrsku-privredi-odlaganje-placanja-poreskih-obaveza-po-osnovu-zarada-zaposlenima-i-po-osnovu-reprograma-do.html">http://www.poreskauprava.gov.me/vijesti/223115/SAOPsT-ENJE-Mjere-za-podrsku-privredi-odlaganje-placanja-poreskih-obaveza-po-osnovu-zarada-zaposlenima-i-po-osnovu-reprograma-do.html</a></li><li>▶ <a href="http://www.poreskauprava.gov.me/vijesti/222970/OBAVJE-STENJE-PRODUZEN-ROK-ZA-PODNOsENJE-FINANSIJSKIH-ISKAZA-I-PRIJAVA-POREZA-NA-DOBIT-DO-15-APRILA-2020-GODINE.html">http://www.poreskauprava.gov.me/vijesti/222970/OBAVJE-STENJE-PRODUZEN-ROK-ZA-PODNOsENJE-FINANSIJSKIH-ISKAZA-I-PRIJAVA-POREZA-NA-DOBIT-DO-15-APRILA-2020-GODINE.html</a></li></ul>

## Overview

- ▶ On 15 March 2020, 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.
- ▶ 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.
- ▶ Social security contributions deadline extension.
- ▶ On 30 March 2020, the Moroccan Banks Association announced the launch of new financing products to support companies facing cash issues due to the Covid-19 crisis including short term and mid term loans, some of which could be guaranteed by the State.

## 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.
- ▶ On 15 March 2020, companies facing difficulties due to Covid-19 crisis are entitled to an extension of the deadline for paying social security contributions until 30 June 2020.

## 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

On 18 March 2020, the Ministry of Planning, Finance and Industry (MOPFI) issued Notification No. 1/2020 which provides a set of measures to mitigate the economic effects of Covid-19 as follows:

- ▶ Cutting-Making-Packaging (CMP) businesses, hotels and tourism companies and small and medium enterprises (SMEs) will be considered as priority sectors (i.e., being the businesses that are significantly affected as a result of Covid-19) for the remedial solutions among other sectors.
- ▶ Establishment of the Covid-19 Fund with the capital of MMK100 billion at the Myanmar Economic Bank (MEB) (i.e., the total of MMK50 billion from the National Revolving Fund approved by the Union Government and MMK50 billion from the Social Security Fund).
- ▶ CMP businesses, hotels and tourism companies and SMEs owned by Myanmar Nationals can borrow for a loan period of one year at a 1% interest rate from the Covid-19 Fund. The interest rate and loan period may be changed depending on the economic situation.
- ▶ The deadlines for quarterly advance corporate income tax and monthly commercial tax payments to be made by CMP businesses, hotels and tourism companies and SMEs are extended.
- ▶ An exemption of 2% advance corporate income tax on exportation of goods from Myanmar is provided.

## Personal tax

- ▶ The payment deadline for Social Security Contributions of employees is extended from "within 15 days after the end of relevant month" to "within 3 months after the end of relevant month" with effect from 20 March 2020.
- ▶ Workers who are made redundant by a company registered with the Social Security Board (SSB) are entitled to the following benefits, subject to conditions prescribed under the Social Security Law 2012:
  - ▶ Extension of the period of healthcare "from 6 months to 1 year" from the date of unemployment; and
  - ▶ Extension of the period to cover the cost of medicines and transportation "from 6 months to 1 year" from the date of unemployment.

## VAT, GST and trade

- ▶ There is no VAT/GST in Myanmar currently. Commercial Tax is similar to VAT/GST in Myanmar.
- ▶ The deadlines for monthly commercial tax payments to be made by CMP businesses, hotels and tourism companies and SMEs for the months of March 2020 to 31 August 2020 are extended from within 10 days after the end of relevant month to 30 September 2020.

## Business tax

- ▶ The deadlines for quarterly advance corporate income tax payments to be made by CMP businesses, hotels and tourism companies and SMEs are extended as follows:
  - ▶ For the second quarter (i.e., 1 January 2020 to 31 March 2020) of the fiscal year 2019-2020 which is due on 10 April 2020, the deadline has been extended to 30 September 2020; and
  - ▶ For the third quarter (i.e., 1 April 2020 to 30 June 2020) of the fiscal year 2019-2020 which is due on 10 July 2020, the deadline has been extended to 30 September 2020.
- ▶ An exemption of 2% advance corporate income tax on exportation of goods from Myanmar until the end of the fiscal year 2019-2020 (i.e., 30 September 2020).

## Links and resources

### Government materials

- ▶ <https://www.mopfi.gov.mm/en/blog/45/11281>
- ▶ <https://www.mol.gov.mm/mm/wp-content/uploads/downloads/2020/03/SSB-COVID19-Order-1Final.pdf>
- ▶ <https://www.mol.gov.mm/mm/wp-content/uploads/downloads/2020/03/SSB-COVID19-Order-2Final.pdf>

## 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 endeavours to continue to pay subsidised 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 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.
- ▶ As at 2 April 2020, the sick leave scheme that was initially introduced has now been replaced with a separate scheme available only to essential workers. Non-essential workers required to isolate are otherwise eligible for funding under the wage subsidy scheme. The new scheme will compensate employers of essential workers to claim a payment equivalent to the wage subsidy for essential workers who are unable to work because they need to self isolate, are an at risk person or in close contact with an at risk person. The employer does not need to show a 30% drop in revenue, but the 80% earnings threshold will remain.
- ▶ The Government 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.

## 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 pandemic. 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 above.

## Other measures

- ▶ The Government, working with retail banks, has announced that mortgages and business loans will be eligible for repayment Holidays from 26 March 2020 for six 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.
- ▶ The Government has announced that legislative changes will be made to retrospectively provide a 'safe harbour' from insolvency duties under the Companies Act for the period of the Covid-19 outbreak. Changes will also be made to allow businesses to place existing debts into hibernation, until they are able to start trading normally again. This would only happen with the agreement of 50% of a business' creditors. Other administrative amendments will be made to relieve businesses of certain regulatory requirements.

## Links and resources

### Government materials

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

<https://www.beehive.govt.nz/release/urgent-tax-measures-economic-recovery>

## 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

- ▶ To mitigate the liquidity losses and difficulties due to the outbreak, loan and guarantee schemes are implemented (one is pending approval from the EFTA Surveillance Authority), as well as temporary changes to the Norwegian direct and indirect tax legislations, labor legislation and rules related to government benefits. A compensation package of NOK10 to NOK 20 billion per month for companies is proposed by the Government, and grants and support for innovation loans is approved by the Parliament.
- ▶ Parliament has asked the Government to propose additional measures, as changes in bankruptcy legislation, increased tax depreciation for certain assets, delay of payment of certain excise duties, etc.
- ▶ In addition, temporary measures are implemented in order to mitigate the employers' costs derived from the work force reduction.

## 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 and second advance payment of income tax (self-employed persons) corresponding to 2020 were due on 15 March and 15 May 2020 respectively. These deadlines are extended until 1 May and 15 July 2020 respectively. The proposal does not grant access to claim back any taxes already paid.

## VAT, GST and trade

- ▶ The current low VAT rate of 12% (applicable on passenger transport, cultural events etc.) has been reduced to 6% from 1 April to 31 October 2020.
- ▶ For VAT due for the first VAT term (January/February 2020), the payment due date from 14 April 2020 has been extended to 10 June 2020. The extension will apply for all entities registered in the VAT registry. The VAT filing due date is not extended.
- ▶ Relevant for the airline industry:
  - ▶ Air passenger duties are suspended for the period 1 January - 31 October 2020
  - ▶ Airport duties are suspended until 30 June 2020

## Business tax

- ▶ For companies reporting tax losses in the tax year 2020, losses are automatically carried back against taxable profits incurred in 2019 and/or 2018 up to NOK30 million. Companies should take this into consideration when determining the group contributions for the year 2019. If no loss is to be carried back, companies need to specifically claim this in the corporate income tax return.
- ▶ For companies, the 2019 corporate income tax liability is due on 15 February 2020 and 15 April 2020. This is extended to 1 September 2020. No interest shall accrue due to the extension. For the tax already paid, companies should contact their local Norwegian tax authorities. Due date for corporate income tax filings is not suspended.
- ▶ Employers' social security rate is proposed to be reduced by 4 percentage points for two months.
- ▶ The employer social security payment deadline for 2<sup>nd</sup> term 2020 (due 15 May 2020) has been extended to 15 August 2020.

## Links and resources

### EY materials

- ▶ [Norway takes additional measures in connection with COVID-19](#)
- ▶ [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 counties \(UPDATED\)](#)

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"> <li>▶ A stimulus package announced by the central bank of Oman amounting to US\$ 20 Billion to support the economy.</li> <li>▶ On 31 March 2020, the Government of Oman introduced a stimulus package of RO 8 billion to mitigate the effect of the coronavirus (Covid-19) global pandemic crisis.</li> <li>▶ On 31 March 2020, the Oman Tax Authority announced a set of relief measures for taxpayers affected by Covid-19:               <ul style="list-style-type: none"> <li>▶ Extension of tax return filing and tax payments deadline.</li> <li>▶ Tax payments may be made in installments.</li> <li>▶ Extension of deadline for submission of Objections against Tax Assessments</li> <li>▶ Extension of time for submitting information to support Objections</li> <li>▶ Tax-deductibility of contributions for fight against Covid-19</li> </ul> </li> </ul>			<p>On 31 March 2020, the Oman Tax Authority announced the below set of relief measures for taxpayers affected by Covid-19:</p> <ul style="list-style-type: none"> <li>▶ Deadline for submitting tax returns / settlement of tax due with the tax return, is extended by 3 months from the due date of submission / payment prescribed under the Income Tax Law (ITL).</li> <li>▶ Delay fines/administrative penalties applicable under the ITL for non- submission of tax returns and delay in payment of taxes, would be waived for taxpayers affected by the situation.</li> <li>▶ Tax payments can be done in installments for taxpayers if it is proven that the staggered payment request is as a result of the Covid-19 pandemic. In these cases, there shall be no delay fines of 1% per month of delay.</li> <li>▶ The Tax Authority can accept objections on tax assessments that are submitted by taxpayers after the original deadline (45 days from the date of notification of the assessment) provided the deadline falls within the pandemic period and it is proven that the delay was a result of the Covid-19 pandemic.</li> <li>▶ Extension of time to submit supporting documents and clarifications for ongoing objection proceedings.</li> <li>▶ Any donations or contributions made by taxpayers for the purpose of dealing with Covid-19 in Oman will be tax deductible.</li> </ul>	

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

## Overview

- ▶ On 30 March 2020, the Economic Coordination Committee (ECC) finalized a Rs1.2-trillion package, including a Rs100 billion supplementary grant, for an Emergency Relief Fund to combat the virus.
- ▶ The Federal Board of Revenue (FBR) has appealed to taxpayers to pay their taxes on time to increase Government revenue and provide support to those who have been affected by Covid-19.

## Personal tax

## VAT, GST and trade

- ▶ In relation to payment of sales tax and Federal Excise duty for the months of January and February 2020 which were originally due on 15 February and 15 March respectively have been extended up-to 12 April 2020. Similarly, the return of sales tax and Federal Excise duty for the months of January and February 2020 which were originally due on 18 February and 18 March respectively, have been extended up-to 15 April 2020
- ▶ The option available to Tier 1 retailers for integration of point of sale system with the Federal Board of Revenue for real-time reporting of sales has been extended to 30 April 2020.
- ▶ 61 items (including medical equipment / kits, surgical masks etc.) has been exempted from collection of customs duty, sales tax, federal excise duty and income tax at import stage.
- ▶ The ECC approved Rs.75 billion for FBR to enable them to payback the sales tax and income tax refunds, duty drawbacks and customs duties which is due for the last 10 years. The amount shall help approximately 676,055 beneficiaries by improving their liquidity position.
- ▶ The ECC approved the supplementary grant of Rs. 30 billion to Ministry of Commerce to payback duty drawbacks to textile exporters in the current financial year to improve their liquidity position when their businesses are experiencing a slow down due to worldwide outbreak of Corona epidemic.
- ▶ The rate of advance tax on the import of different pulses was reduced to 0% from 2%. Individuals and associations of persons (AoP) providing tea, spices, dry milk and salt to USC without a brand name will pay 1.5% withholding tax instead of 4.5%. Individuals and AoP receiving payments from USC for supplying ghee, sugar, pulses, and wheat flour shall be charged 1.5% withholding tax instead of 4.5%. ACD (additional customs duty) at 2% on soya bean oil, canola oil, palm oil and sunflower oil (and on these four oil seeds) has also been exempted.

## Business tax

## Links and resources

### Government materials

[http://download1.fbr.gov.pk/Docs/20204118439341372020-04-01\(EXTENSIONINPAYMENTDATEOFJAN\).pdf](http://download1.fbr.gov.pk/Docs/20204118439341372020-04-01(EXTENSIONINPAYMENTDATEOFJAN).pdf)

<https://www.thenews.com.pk/print/637287-ecc-approves-rs-1-2tr-relief-package>

[http://www.finance.gov.pk/press\\_releases.html](http://www.finance.gov.pk/press_releases.html)

## 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/28979_B/77812.pdf)
- [https://www.gacetaoficial.gob.pa/pdfTemp/28985\\_C/GacetaNo\\_28985c\\_20200320.pdf](https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf)
- [https://www.gacetaoficial.gob.pa/pdfTemp/28987\\_A/77997.pdf](https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf)

## Overview

- ▶ The Paraguayan Authorities have enacted laws, decrees and resolutions in the framework of the pandemic by Covid-19.
- ▶ Decree No. 3442/2020 “provides the implementation of preventive actions against the risk of expansion of the 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 Covid-19” dated March, 16, 2020.
- ▶ Law N° 6524 dated March 26, 2020, that establish news administrative, fiscal and financial measures. Some of the financial measures include the creation of a trust to support MSMEs, an economic compensation of 25% of the current legal minimum wage to independent workers, and an economic compensation to active social security workers affected by the suspension of it is labor activities.
- ▶ Decree N° 3490/2020 enacted in March 28, 2020, the Government extended the compulsory social isolation throughout Paraguay until 12 April 2020.
- ▶ Some Tax Resolutions issued by the Ministry of Finance (SET) that establishes, 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 the external tax audit opinions is exceptionally extended until November 2020, the tax compliance certificates issued from the date until June 30, 2020 will be valid for ninety (90) calendar days, and exceptionally extends deadlines for the submission of determinative and informative Tax Returns and the payment of the tax obligations.

## Personal tax

- ▶ Decree N° 3.457/2020 establishes an exceptional regime of payment facilities for Personal Income Tax (IRP, for its acronym in Spanish) and provides a period of regularization for the fulfillment of obligations of a formal nature:
- ▶ The payment facilities of the IRP until 30 April 2020 consist of: minimum payment equivalent to 20% of the debt, annual interest rates of 0% and up to five monthly payments. Failure to make these payments will generate the respective interest.
- ▶ Until 30 June 2020, no penalties will be applicable for contravention.



## VAT, GST and trade

- ▶ Decree N° 3.477/ 2020, provides for a special Value Added Tax (VAT) regime on certain sensitive products (sodium, facemask fabric and supplies and surgical supplies. The new tax rate for this products goes from 10% to 5%.) in the framework of the sanitary emergency.
- ▶ Resolution N° 49 enacted by SET dated 31 March 2020, exceptionally extends the deadline of VAT, Excise General Tax and Excise Fuel payment to those whose Tax ID ends in 7, 8 or 9 until May 4, 5 or 6 respectively.

## Business tax

- ▶ Decree N° 3.480/ 2020, establishes:
  - ▶ Payment facilities of the Corporate Income Tax (IRACIS, for its acronym in Spanish) and the Agricultural Income Tax (IRAGRO, for its acronym in Spanish) that consist of:
    - ▶ minimum payment equivalent to 20% of the debt, annual interest rates of 0% and up to 5 monthly payments. Failure to make these payments will generate the respective interest.
    - ▶ Extends until July 2020 the deadline of the first advance payment of the Business Income Tax (IRE, for its acronym in Spanish), that corresponds to the Fiscal Year 2020.
  - ▶ General Resolution N° 49 enacted by SET that exceptionally extends the payment deadline for Presumed IRE and Maquila Unique Tribute, to those whose tax ID ends in 7, 8 or 9 until May 4, 5 or 6 respectively.
  - ▶ Entities Generating Dividends, Profits or Gains (EGDUR, for its acronym in Spanish) that have the obligation to hold a meeting and have decided to distribute dividends, profits or income in fiscal year 2020, generate the IDU withholding receipt from August 1 to August 31, 2020; consequently, the IDU must be paid in the month of September 2020.
- ▶ Law N° 6524/ 2020 established:
  - ▶ Possibility to refinancing the Social Security payment. The payment may be refinanced up to 18 months.
  - ▶ New applications for refund of tax credits are suspended during the sanitary emergency.

## Links and resources

### Government materials

- ▶ <http://www.gacetaoficial.gov.py/index/buscarContenidos>
- ▶ <https://www.set.gov.py/portal/PARAGUAY-SET/Home/Normativas?folder-id=repository:collaboration:/sites/PARAGUAY-SET/categories/SET/Normativas/decretos/2020>
- ▶ <https://www.set.gov.py/portal/PARAGUAY-SET/Home/Normativas?folder-id=repository:collaboration:/sites/PARAGUAY-SET/categories/SET/Normativas/resoluciones/2020>

## Overview

- ▶ A Declaration of State National Emergency due to the spread of Covid-19 has been put in place. It establishes the suspension of various work activities and limited public transportation. All deadlines for tax procedures initiated before 15 March 2020 are suspended for 30 business days beginning 16 March 2020 (Urgent Decree No. 026-2020).
- ▶ For payments in installments granted before March 15, 2020, the installments to be paid on March and April could be paid later on May 29, 2020 with no penalties or consequences at all (Peruvian Tax Authority Resolution No 058-2020/SUNAT and No 065-2020/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 12, 2020 (Peruvian Tax Authority Resolution No 008-2020-SUNAT/700000).
- ▶ Beginning April 1, 2020, the interest rates for tax debts in national currency is decreased from 1.2% to 1% monthly, in foreign currency from 0.6% to 0.5% monthly. The return interest rates for refund of payments in excess in national currency is decreased from 0.50% to 0.42% monthly and in foreign currency from 0.30% to 0.25% per month. (Peruvian Tax Authority Resolution No. 066-2020/SUNAT).

## Personal tax

- ▶ Taxpayers who obtained income up to 5,000 Tax Units (approx. US\$6,000,000) 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).

## VAT, GST and trade

- ▶ 0% Customs duties on the importation of certain medicines, medical equipment and devices during the 90 calendar days counted as from 12 March 2020. The list of medicines, medical equipment and devices have been extended. At the end of that period, the rate will go back to 6% and 11%, as appropriate. (Supreme Decrees No. 051-2020-EF; 059-2020-EF).

**Business tax**

- ▶ Taxpayers with income up to 2,300 Tax Units (approx. US\$2,841,176) during fiscal year 2019, have the possibility to postpone the filing of the following: i) The monthly advance payments of income tax for the month of February until the first days of June; ii) the returns and monthly payments of payroll tax for the month of February until the last days of April iii) The filing of the electronic sales register and the electronic income register and the electronic purchase register for the month of February until the first days of June; iv) The annual return of operations with third parties until 29 May 2020 (Peruvian Tax Authority Resolutions No. 054-2020/SUNAT, 055-2020/SUNAT, 061-2020/SUNAT and 065-2020/SUNAT).
- ▶ Taxpayers with income up to 5,000 Tax Units (approx. USD\$6,000,000) during fiscal year 2019, have the possibility to postpone the filing of the following: i) The monthly advance payments of income tax for the month of March and April until June; ii) The returns and monthly payments of payroll tax for the month of March and April until April and May 2020; iii) The filing of the electronic sales register and the electronic income register and the electronic purchase register for the month of March and April until June; iv) The filing of the 2019 annual income tax return and its payment until June and July (originally, the deadline was late March or early April 2020) (Peruvian Tax Authority Resolutions No. 061-2020/SUNAT and 065-2020/SUNAT).
- ▶ Taxpayers with income between 2,300 Tax Units (Approx. US\$2,841,176) and 5,000 Tax Units (Approx. US\$6,000,000) during fiscal year 2019, have the possibility to postpone the filing of the following: i) The deadline for recording accounting registers related to tax matters for the month of April and May is extended until 4 June 2020; ii) The deadline for filing affidavits and communications to Peruvian Tax Authority related to the Electronic Issuance System of Invoices corresponding to March and April is extended until 15 May 2020; iii) The annual return of operations with third parties until 29 May 2020 (Peruvian Tax Authority Resolution No. 065-2020/SUNAT).

**Links and resources****Government materials**

- ▶ <https://busquedas.elperuano.pe/normaslegales/aplican-la-facultad-discrecional-en-la-administracion-de-san-resolucion-n-008-2020-sunat700000-1865065-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/disponen-medidas-adicionales-para-favorecer-la-disponibilida-resolucion-n-058-2020sunat-1865067-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/adoptan-medidas-para-facilitar-el-cumplimiento-de-las-obliga-resolucion-n-055-2020sunat-1865013-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-establece-diversas-medidas-excepcion-decreto-de-urgencia-n-026-2020-1864948-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-cronograma-de-vencimientos-para-la-declaracion-jur-resolucion-n-054-2020sunat-1864484-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/establecen-tasa-de-derechos-arancelarios-aplicable-a-la-impo-decreto-supremo-n-051-2020-ef-1864933-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-cronograma-de-vencimientos-para-la-declaracion-jur-resolucion-n-061-2020sunat-1865139-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-dicta-medidas-complementarias-para-r-decreto-de-urgencia-n-031-2020-1865129-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/ley-que-delega-en-el-poder-ejecutivo-la-facultad-de-legislar-ley-no-31011-1865195-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/resolucion-de-superintendencia-que-establece-procedimientos-resolucion-n-062-2020sunat-1865159-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/sustituyen-el-anexo-1-del-decreto-supremo-n-051-2020-ef-que-decreto-supremo-no-059-2020-ef-1865203-6/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/amplian-medidas-para-facilitar-el-cumplimiento-de-las-obliga-resolucion-n-065-2020sunat-1865235-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-las-tasas-de-interes-aplicables-a-los-tributos-adm-resolucion-n-066-2020sunat-1865256-1/>

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## 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 in all banks or quasi-banks or other financial institutions, public or private,
- ▶ Mandatory 30-day grace period for all loans (principal and/or interest) falling due within the Enhanced Quarantine Period (ECQ) without incurring any interest or penalty whatsoever.
- ▶ Exemption from stamp duty of all credit extensions or credit restructuring
- ▶ Granting of temporary regulatory and liquidity relief measures for financial institutions as approved by the Monetary Board.

On 25 March 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 and commercial rents.

## Personal tax

- ▶ Filing and payment of the Annual Income Tax Return for Individuals (BIR Forms 1700, 1701, and 1701A) for calendar year ending December 31, 2019 and required attachments are extended from 15 April 2020 to 15 May 2020 without interest and penalties.
- ▶ Submission of required attachments to the e-filed Annual Income Tax Return is extended to 1 June 2020.

## VAT, GST and trade

- ▶ Filing and payment of BIR Forms 2550M and 2550Q (Monthly and Quarterly VAT), 1600WP, 1600, 2200M, 2000, ONETT transaction returns (BIR Forms 1606, 1706, 1707, 1800, 1801, 2000-OT) and other documents, reports, information returns, and submissions falling due from 16 March 2020 are extended for 30 calendar days from their original due dates without interest and penalties.
- ▶ 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.
- ▶ Importation of critical healthcare equipment or supplies and production input materials (provided the importing manufacturer is in the Master List), shall be exempt from VAT, excise tax and other fees. Importation thereof shall not be subject to the issuance of Authority to Release Imported Goods (ATRIG) subject to post investigation/audit. Donations of such imported articles to or for the use of the Philippine Government are exempt from donor's tax and can be fully deductible, subject to conditions. These rules shall be effective only during the three month effectivity of R.A. No. 11469 or until 25 June 2020, unless extended or withdrawn

## Business tax

- ▶ Filing and payment of the Annual Income Tax Return for Corporations (BIR Forms 1702RT, 1702MX, 1702EX), BIR Forms 2307, 1702Q, 1604E, 1601C, 1604CF, 2316 and other documents, reports, information returns, required attachments and submissions falling due from 16 March 2020 are extended for 30 calendar days from their original due dates without interest and penalties.
- ▶ Submission of required attachments to the e-filed Annual Income Tax Return is extended to 1 June 2020.
- ▶ 30-day extension from the lifting of the period of emergency for filing of protest letters etc. on tax audits with due dates starting on 16 March 2020.
- ▶ Submission of the Certificate of Residence for Tax Treaty Relief (CORTT) Form for withholding tax on dividends, interest and royalties for the month of February 2020 paid and remitted starting 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 the assessment and collection of taxes starting on 16 March 2020 until 60 days after the lifting of the period of emergency.
- ▶ Documentary stamp tax (DST) exemption of all extension or renewal of loans falling due within the community quarantine period, subject to reporting requirements.
- ▶ Tax returns filed before the extended deadlines can be amended before the extended due date without interest and penalties. Overpaid taxes on the amended returns can be credited to succeeding periods or refunded.

## Links and resources

### Government materials

- ▶ [Government economic team rolls out P27.1b package](#)
- ▶ [RMC No. 27-2020](#)
- ▶ [BSP No. M-2020-008](#)
- ▶ [Republic Act No. 11469](#)
- ▶ [RMC No. 33-2020](#)
- ▶ [RR No. 5-2020](#)
- ▶ [RMC No. 34-2020](#)
- ▶ [RR No. 6-2020](#)
- ▶ [RMO No. 10-2020](#)
- ▶ [CAO No. 07-2020](#)
- ▶ [DOF-DTI JMC No. 2020-02](#)
- ▶ [RR No. 7-2020](#)
- ▶ [RMC No. 35-2020](#)
- ▶ [RMC No. 36-2020](#)
- ▶ [RMC No.37-2020](#)
- ▶ [BSP No. M-2020-017](#)
- ▶ [BSP No. M-2020-011](#)
- ▶ [BSP Circular No. 1080 Series of 2020](#)
- ▶ [BSP Circular No. 1082 Series of 2020](#)
- ▶ [Monetary Board cuts policy rate by 50 Bps](#)
- ▶ [BSP rediscount rates effective 20 March 2020](#)
- ▶ [BSP cuts RRR by 200 Bps](#)
- ▶ [DOLE DO No. 209 \(CAMP\)](#)
- ▶ [DOLE LA No. 12-2020 \(CAMP\)](#)
- ▶ [DTI MC No. 20-12](#)

## Overview

- ▶ Stimulus package was signed by President in Poland on April 1, 2019.
- ▶ The stimulus package covers 5 key pillars and its value amounts to approx. PLN 212 billion (approx. USD 56 bn):
  - ▶ Pillar 1 - activities related to the protection of jobs and employment;
  - ▶ Pillar 2 - activities related to the protection of enterprises;
  - ▶ Pillar 3 - activities related to supporting health care;
  - ▶ Pillar 4 - activities related to the functioning of the financial system (deposits);
  - ▶ Pillar 5 - activities related to public investment support.
- ▶ Entrepreneurs are able to obtain support in funding employees' salaries during the period of economic downturn if they experience a decrease in sales (several conditions apply).  
The aid measures will be available for large entrepreneurs without *de minimis* limitation - so there is possibility to obtain subsidy up to **500 EUR per employee per month** (final amount of subsidy might differ as it is dependent on solution and nominal amount of wages).  
There is no maximum threshold on the total amount of possible funding per employer (it depends on a number of employees and other conditions). Applications can be submitted as of 1 April 2020.
- ▶ The deadline for preparing 2019 financial statements is deferred.
- ▶ In the event of an pandemic threat/pandemic, the authority may suspend proceedings or controls.
- ▶ Financial institutions do not include loans granted to entities affected by Covid-19 in the tax base.
- ▶ The submission of transfer pricing information is postponed until 30 September 2020. The deadline for preparing the financial statements for 2019 is deferred.
- ▶ MDR reporting on tax arrangements is suspended until the end of the pandemic, but no later than 30 June 2020. Poland already has extensive experience in MDR reporting since it has been in force from January 2019.
- ▶ Temporary residence, if it expires during emergency/pandemic, 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).

## Personal tax

- ▶ Guarantee support and interest subsidies on loans exempt from Personal Income Tax
- ▶ Deduction of donations for the fight against Covid-19 from the tax base.
- ▶ Extension for advance payments for PIT for March and April 2020.
- ▶ Payment of "minimum tax" on leased buildings due for March, April and May 2020 is deferred until 20 July 2020
- ▶ Ability to elect out of the simplified form of Personal Income Tax advance payments for March to December 2020.
- ▶ The parking benefit received under the Covid-19 Act is exempt from income tax.
- ▶ The deadline for personal income tax remitters to pay advance payments on salaries for March and April to the tax office is postponed until 1 June 2020.
- ▶ Accommodation and meals (special circumstances) exempt from PIT and are not included in the basis for calculating contributions due on salaries.

## VAT/GST and trade

- ▶ The deadline for so-called "large enterprises" to file new JPK\_V7M forms (SAF that is to replace monthly value-added tax returns) is postponed until 1 July 2020

## Business tax

- ▶ The deadline for submitting the corporate income tax return (CIT-8) is postponed until 31 May 2020.
- ▶ Taxpayers have the possibility to settle current losses using past profits.
- ▶ Guarantee support and interest subsidies on loans exempt from Corporate Income Tax.
- ▶ Deduction allowed for donations for the fight against Covid-19 from the tax base.
- ▶ Payment of "minimum tax" on leased buildings due for March, April and May 2020 is deferred until 20 July 2020
- ▶ Ability to elect out of the simplified form of CIT payment for March-December 2020.
- ▶ Donations to specific organizations involved in actions to mitigate the effects of Covid-19 will be tax deductible (donations made between 1 January and 30 April 2020 - 200%; in May 2020 - 150%; between 1 June and 30 September 2020 - 100%).
- ▶ Perpetual usufruct ("użytkowanie wieczyste") fee - payment date: 30 June 2020.
- ▶ Real Estate Tax - The commune council may by resolution introduce an exemption from Real Estate Tax 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 CIT and are not included in the basis for calculating contributions due on salaries.
- ▶ Temporary residence, if it expires during emergency/pandemic, 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).
- ▶ "Bad debt relief," which obliged debtors to treat as taxable revenues the liabilities which they first recognized as deductible but did not settle within a given period of time, is suspended.

## 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 2020, 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 (ii) 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
- ▶ Further, the Order n.º 141/2020-XXII established the deadline for filing of the VAT return for the period of February 2020, which is 17 April 2020. The payment of the VAT due based on the VAT return for the period of February 2020 must be made by 20 April 2020.

## 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"> <li>▶ 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.</li> <li>▶ 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</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Additional extension was announced on March 23, 2020 by the PR Governor, through July 15. Pending official guidance from the PRTD for further details.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ The February monthly state and municipal SUT returns that would be due on March 20 are extended through April 20.</li> <li>▶ Tax on Imports Monthly Return due on April 10<sup>th</sup> is extended for one month.</li> <li>▶ 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.</li> <li>▶ Additional extension for the bi-monthly payment was announced on March 23, 2020 by PR Governor. Pending guidance from PRTD for further details.</li> <li>▶ 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.</li> <li>▶ PR Department of State: Annual Report &amp; Annual fee extended until 15 May.</li> <li>▶ Director of Finance Municipalities: Municipal license tax payment extended until 22 May 2020.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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*.</li> <li>▶ PR Income Tax Return for Pass-through entities that is generally due on March 15 is extended through April 15.</li> <li>▶ PR Corporate Income Tax Return that is generally due on April 15 is extended through May 15.</li> <li>▶ All other taxpayers with a fiscal year end, tax return or extension due in March 15 is extended through April 15.</li> <li>▶ Estimated tax payments due in March are extended to April 15.</li> <li>▶ Estimated tax payments due in April 15 are extended to May 15.</li> <li>▶ Informative returns originally due on February 28 (and previously extended through March 31) are extended further until April 15.</li> </ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="http://www.hacienda.gobierno.pr/sobre-hacienda/publicaciones/area-de-rentas-internas-y-area-de-politica-contributiva/publicaciones-oficiales">http://www.hacienda.gobierno.pr/sobre-hacienda/publicaciones/area-de-rentas-internas-y-area-de-politica-contributiva/publicaciones-oficiales</a></li> </ul>

\* 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"> <li>▶ The Qatar Government will provide financial and economic incentives to the private sector to the amount of QAR 75 billion.</li> <li>▶ 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.</li> <li>▶ Exemptions in payment of customs duties for imports in the Food and Medical Industries for 6 months.</li> <li>▶ Rental holidays for Warehousing and Logistics Companies for 6 months.</li> <li>▶ Select sectors exempted from paying electricity and water charges for 6 months. These include hospitality, tourism and logistic sectors.</li> <li>▶ Qatar Development Bank announces postponement of loan installments for 6 months.</li> <li>▶ The government announced two months extension to tax filing deadline.</li> <li>▶ 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.</li> <li>▶ 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.</li> </ul>			<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> </ul>	

## 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 Russian Government imposed a temporary restriction on movement through the road, rail, pedestrian, river and mixed checkpoints across the state border of the Russian Federation, as well as across the land section of the Russian-Belarusian state border. These restrictions do not apply, i.e. to Russian and foreign drivers of automotive vehicles. The restrictions are in force from 30 March 2020.
- ▶ Implemented special procedures for registration of pharmaceuticals;
- ▶ Online trade of pharmaceutical is allowed under certain conditions
- ▶ April is a non-business month.

## 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.
- ▶ The Board of the Eurasian Economic Commission approved the draft list of goods of critical import, with regard to which an exemption from payment of the import customs duty is granted. The list includes some food products, including food for children, medicines and materials for their production, endoscopes, as well as baby diapers. The specified exemption is granted for goods on which the customs declaration is registered before 30 June 2020. The decision will enter into force on 7 April 2020 and will be applied to imported goods from 1 April 2020.
- ▶ The Board of the Eurasian Economic Commission established a temporary ban on export of certain types of food products from the countries of the Eurasian Economic Union. The export ban will apply to onions, garlic, turnips, rye, rice, buckwheat, millet, cereals, coarse flour and grains from cereals, crumbled buckwheat, prepared buckwheat food products, crushed/not crushed soybeans and sunflower seeds. The export ban will apply until 30 June 2020.
- ▶ VAT-free import and sale of certain types of medical goods related to Covid 19 from 16 March 2020
- ▶ Moscow city authorities prolonged the due date for payment of the trade levy until 31 December 2020. The trade levy is imposed upon taxpayers who sell goods in shops, stalls, pavilions, vending tables in the territory of Moscow.
- ▶ Landlords are obliged to grant a delay in rental payments for the year 2020 in case rental agreements are concluded before the declaration of the regime of high alert by relevant authorities. Landlords should negotiate with tenants the terms of the delay and revise rental payments amount during 30 days after the tenant's application. The Russian Government declared the delay in rental payments until 1 October 2020.
- ▶ Bank of Russia limited the acquiring commission at the level of 1% with respect to online sales of food, clothes FMCG, pharmaceuticals and other health products. The limitation period lasts until 30 September 2020.

## 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
- ▶ The following measure has been announced but not enacted: non-taxation of income received free of charge and devoted to Covid-19 response; deductibility of expenses related to Covid-9 response.

## 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://www.nalog.ru/rn77/about_fts/docs_fts/9685945/)

[https://ria.ru/20200323/1568997015.html?rcmd\\_alg=collaboration2&rcmd\\_id=1568994671](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>

[https://docs.eaeunion.org/docs/ru-ru/01425280/err\\_02042020\\_43](https://docs.eaeunion.org/docs/ru-ru/01425280/err_02042020_43)

(Available only in Russian)

<http://static.government.ru/media/files/uPySAqzA9AV39jD1h71za3OR9eslxIDj.pdf>

(Available only in Russian)

[https://docs.eaeunion.org/docs/ru-ru/01425269/err\\_27032020\\_47](https://docs.eaeunion.org/docs/ru-ru/01425269/err_27032020_47)

(Available only in Russian)

[https://www.ey.com/en\\_ru/tax/tax-alert/2020/04/ey-draft-regulations-of-the-russian-government-on-measures-2-april-2020-tax-eng](https://www.ey.com/en_ru/tax/tax-alert/2020/04/ey-draft-regulations-of-the-russian-government-on-measures-2-april-2020-tax-eng)

Decree of the Government of Moscow dated 31 March 2020 No. 273-PP  
Letter of the Ministry of Finance dated 15 July 2015 No. 03-11-10/40730, article 2 of the Law of the City of Moscow No. 62 dated 17 December 2014  
Federal law dated 1 April 2020 No. 98-FZ 'Amendments to several legislative acts of the Russian Federation concerning prevention and of emergency situations'  
Decree of the Government of the Russian Federation dated 3 April 2020 No. 439  
Information of the Bank of Russia as of 27 March 2020 'Bank of Russia declared additional measures for the support of individuals, economy and financial sector in the context of the Covid-19 pandemic,

[https://cbr.ru/press/pr/?file=27032020\\_152031dkp2020-03-27T15\\_20\\_11.htm](https://cbr.ru/press/pr/?file=27032020_152031dkp2020-03-27T15_20_11.htm)

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[Return to jurisdiction list](#)

## 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"><li>▶ Saudi Arabian Monetary Authority (SAMA) announced the introduction of Private Sector Financing Support Program with a total value of SAR 50 Billion as follows:</li><li>▶ Supports the Small and Medium Enterprises (SMEs) sector by:<ul style="list-style-type: none"><li>– 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.</li><li>– 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.</li><li>– 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.</li></ul></li><li>▶ 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.</li><li>▶ Supports the institutions in Makah and Madina, affected by the precautionary measures, by coordinating with the banks and finance companies to facilitate finance repayments.</li><li>▶ Zakat, Income Tax and VAT payment and filing obligations delayed by three months.</li></ul>		<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ 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.</li><li>▶ 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.</li></ul>	<ul style="list-style-type: none"><li>▶ 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.</li><li>▶ Fines for late payments of instalments, amendment of declarations, non-cooperation of taxpayers, and examination fines have been suspended until 30 June 2020.</li><li>▶ The procedure to stop services of taxpayers and seizing funds has been suspended until 30 June 2020.</li><li>▶ Issuing the Zakat certificates without restrictions for the year 2019.</li><li>▶ Acceptance of instalment applications without an advance payment until 30 June 2020.</li><li>▶ Expediting the refund payment requests claimed by taxpayers.</li><li>▶ Suspension of the special requirements to submit bank guarantee until 30 June 2020.</li></ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"><li>▶ <a href="http://www.sama.gov.sa/en-US/News/Pages/news-514.aspx">http://www.sama.gov.sa/en-US/News/Pages/news-514.aspx</a></li><li>▶ <a href="https://gazt.gov.sa/ar/MediaCenter/News/Pages/News_309.aspx">https://gazt.gov.sa/ar/MediaCenter/News/Pages/News_309.aspx</a></li></ul>

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## Overview

- 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.

## Personal tax

## VAT, GST and trade

## Business tax

## Links and resources

### Government materials

- <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, S\$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. The Government intends to issue a Covid-19 (Temporary Measures) Bill in Parliament this week to offer temporary relief to individuals and businesses who are unable to fulfil their contractual obligations because of Covid-19.
- ▶ Mr Heng Swee Keat announced an unprecedented third round of support measures in his Solidarity Budget speech on 6 April 2020. An additional support of S\$5.1 billion will be mobilised to save jobs, protect the livelihood of the people, preserve capacity and capabilities, and provide immediate cash in hand for households to tide Singapore through its significantly stricter pre-emptive measures which will kick in from 7 April until 4 May 2020.

## 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 3 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.
- ▶ Automatic extension for filing of individual income tax returns (including sole proprietorship and partnerships) to 31 May 2020 (originally due on 18 April 2020 for e-filing and 15 April 2020 for paper filing)

## 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
- ▶ Automatic extension for filing of GST returns for accounting period ending March 2020 to 11 May 2020 (originally due on 30 April 2020 )

## 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.
- ▶ Companies with financial year ending in January 2020 will be granted an automatic extension till 31 May 2020 to file their YA 2021 ECI.
- ▶ Automatic one-month extension to 15 May 2020 will be provided for submission of Section 45 Withholding Tax Forms due 15 April 2020.
- ▶ For companies regarded as Singapore tax resident in YA 2020, the tax authorities are prepared to consider the company as Singapore tax resident for YA 2021 even though the Board meetings are held outside Singapore or held via electronic means due to Covid-19. This is provided that there is no change in the economic circumstances of the company. Conversely, where a company is not Singapore tax resident in YA 2020, the IRAS will regard the company as non-resident for YA 2021 provided that there is no change in the economic circumstances of the company and Board meetings are held in Singapore due to Covid-19.
- ▶ The tax authorities will not treat a foreign company as having a permanent establishment (PE) in Singapore as a result of the unplanned presence of their employees due to Covid-19 provided the company does not have a PE in Singapore for YA 2020, there are no other changes to the economic circumstances of the company, the physical presence of such employees is temporary and the activities performed by such employees would not have been performed in Singapore if not for the travel restrictions.
- ▶ Granting of rebate of 100%/60%/30% for property tax payable for the period 1 January to 31 December 2020 for qualifying commercial and other non residential properties
- ▶ Enhancing the carry-back relief scheme to allow qualifying deductions for YA 2020 to be carried back up to the three immediate preceding YAs (it is currently allowed for only the immediate preceding YA), capped at S\$100,000 (US\$71,400) of qualifying deductions and subject to conditions
- ▶ Providing an option to accelerate the tax depreciation claim for plant and machinery acquired for YA 2021 over two years i.e., 75% of the cost in YA 2021 and remaining 25% in YA 2022
- ▶ Providing an option to accelerate the deduction of qualifying expenditures incurred on renovation and refurbishment for YA 2021 in one YA instead of over three consecutive YAs as currently allowed, subject to an expenditure cap of S\$300,000 (US\$214,200)

## Links and resources

### EY materials

[https://www.ey.com/en\\_sg/tax/singapore-budget-2020-synopsis](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/budget-highlights-for-the-c-suite)

[https://www.ey.com/en\\_sg/tax/tax-alerts/highlights-of-singapore-s-resilience-budget-2020](https://www.ey.com/en_sg/tax/tax-alerts/highlights-of-singapore-s-resilience-budget-2020)

[https://www.ey.com/en\\_sg/tax/tax-alerts/highlights-of-singapore-s-solidarity-budget-2020](https://www.ey.com/en_sg/tax/tax-alerts/highlights-of-singapore-s-solidarity-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/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/annexb2)

[https://www.singaporebudget.gov.sg/docs/default-source/budget\\_2020/download/pdf/annexc1](https://www.singaporebudget.gov.sg/docs/default-source/budget_2020/download/pdf/annexc1)

[https://www.singaporebudget.gov.sg/budget\\_2020/resilience-budget](https://www.singaporebudget.gov.sg/budget_2020/resilience-budget)

[https://www.singaporebudget.gov.sg/budget\\_2020/solidarity-budget](https://www.singaporebudget.gov.sg/budget_2020/solidarity-budget)



## Overview

- ▶ Extended payment arrangements for businesses experiencing liquidity issues. Arrangements will be handled on an individual basis and evidence of hardship will be required.
- ▶ Business liquidity support loans.
- ▶ Increased support to rent committee.
- ▶ Encourage landlords not to evict tenants and to grant possible suspension of payments or reduced payments.
- ▶ Moratorium on bank loan for three to six months.
- ▶ No capital payments nor interest.
- ▶ Special working capital to corporate clients by several banks (case-by-case basis).
- ▶ Other relief measures related to utility bills, fuel prices, telecommunication bills and student loans

## Personal tax

- ▶ Postponement of filing of 2019 income tax return to 31 August 2020
- ▶ Payroll supplement (between ANG 750 - ANG 1,350) for employees at risk of being laid off.
- ▶ Income supplement (between ANG 750 - ANG 1,350) for active plate-holding bus drivers, taxi drivers, independent tour operators, licensed vendors, market vendors.
- ▶ Monthly food vouchers of ANG 450 for all qualifying persons as listed above under the payroll and income supplements.

## VAT, GST and trade

- ▶ Update of maximum price list which includes canned foods, rice, vegetables, baking products, baby products, sanitary products, personal hygiene products, water, etc. and increased enforcement of the maximum list.

## Business tax

- ▶ Postponement of filing and payment of the 2019 provisional profit tax return until 30 June 2020
- ▶ Extension of filing of final profit tax return
- ▶ Suspension of tax audits

## Links and resources

### Government materials

[www.sintmaartengov.org](https://www.sintmaartengov.org)

## Overview

- ▶ Several tax relief measures have been implemented due to the Covid-19 pandemic, mainly focusing on postponement of payments and filing deadlines.
- ▶ All tax audits may be postponed based on the request and the statute of limitations for tax purposes has been put on hold.
- ▶ Further, deadlines for preparing financial statements and annual reports have been postponed until the end of the third month following the end of the pandemic, as defined by the Government.
- ▶ Alongside tax measures, the Government approved other measures, the most relevant being Government support toward employee wages.
- ▶ Contributions will be provided to (i) companies which had to close their business (up to EUR 1,100 per employee, per month) and (ii) to companies which did not close but their revenue had decreased by more than 20%. The Government contribution is scaled based on the decrease in revenues, with maximum of EUR 540 per employee in case of more than 80% decrease in revenues.
- ▶ Government support is limited to EUR 800k per company in total, and EUR 200k per month for companies with decreased revenues. Thus, the support is targeted more towards smaller businesses. Further measures for large companies are expected.
- ▶ The Government also plans to issue bank guarantees up to EUR 500m per month.

## Personal tax

- ▶ Personal income tax returns for 2019 may be filed and related tax paid by the end of the month the pandemic ends, as defined by the Government.
- ▶ Payment of social and health security contributions for March 2020 is postponed in cases where company revenues decreased by more than 40%.
- ▶ It is expected that postponement of payment of these contributions will be extended to further periods.
- ▶ No sanctions would be assessed if tax prepayments on behalf of employees are not paid during the pandemic period.

## VAT, GST and Trade

- ▶ Generally, no legislative measures were introduced in the VAT area yet.
- ▶ VAT returns must still be submitted within the existing deadlines and VAT must be paid accordingly.

## Business tax

- ▶ 2019 corporate income tax returns may be filed and related tax paid by the end of the month in which the pandemic ends (as defined by the Government). This measure does not have impact on payment of tax prepayments.
- ▶ The Ministry of Finance has announced changes to the tax loss utilization, allowing the utilization of forfeited losses from the 2014 tax year onwards. No legislative proposal regarding such a measure have yet been introduced.
- ▶ Government also announced that tax prepayments will be postponed for taxpayers with decrease in revenues of more than 40%. However, no legislative measure was adopted yet.

## Links and resources

### Government materials

- ▶ <https://www.pomahameľudom.sk/>
- ▶ <http://spr.ly/60481xasY>
- ▶ <http://spr.ly/60471liWD>

## Overview

- ▶ On 2 April 2020, the Slovenian Parliament enacted the Act on emergency measures to contain the epidemic Covid-19 and mitigate its consequences for citizens and the economy. It will be in effect until at least 31 May 2020, and may be extended by an additional 30 days if the epidemic is not deemed by the government to have passed; some of the measures have retroactive effect.
- ▶ The total value of the package is estimated to be EUR 3 billion.
- ▶ **Workers on temporary leave (“waiting for work”) and absentees due to force majeure:** Workers who are waiting for work and employees who are unable to work due to force majeure are entitled to a salary compensation of 80 percent of the national average monthly full-time salary for the past three months in accordance with the Employment Relationship Act (ERA). Such payment will not be lower than the national minimum salary and not higher than the average Slovenian salary. The Act provides that employers will be entitled to reimbursement of paid salaries in the amount of paid compensation less employee contributions. It is also foreseen that employers will be exempt from the payment of social security contributions from paid compensation (22,1%) and on paid compensation (16.1%) not exceeding the average salary in the Republic of Slovenia in 2019, calculated per month, between 13 March 2020 and 31 May 2020. The employer will exercise the right for reimbursement of compensation payments by filing an application with the Government’s Employment Services department within eight days of when workers are posted to wait for work, but no later than 31 May 2020. Employers who have already posted workers to wait for work or have workers who cannot work due to force majeure before 1 April 2020 must apply for reimbursement with the Employment Services department no later than 8 days after the Act enters into force. The Act also provides for certain conditions under which employers are entitled to reimbursement of paid compensation. One of the main conditions is a drop in revenues in the first half of 2020 of more than 20% over the same period in 2019, or if in the second half of 2020 they would not reach more than 50% in revenue growth over the same period in 2019. Measures in this area are not available to employers who are direct or indirect budget consumers and those pursuing activities under the standard classification of activity K (financial or insurance).
- ▶ **Assisting employers with workers who are present at work:** The law stipulates that employers will be exempt from paying contributions for pension and disability insurance of the employer (8.85% of gross pay) and of the employee (15.50% of gross pay) in the months of April and May 2020, if during emergency measures continue to be in place by the Government. Employers will still have to calculate and report, but not pay, contributions for pension and disability. The exemption does not apply to the payment of other mandatory social security contributions from salaries (for health care, unemployment, parental care and injuries at work). Measures in this area are not available to employers who are direct or indirect budget consumers and those pursuing activities under the standard classification of activity K (financial or insurance). In addition, workers whose salaries do not exceed three times the minimum wage (i.e., approximately EUR 2,800 gross per month) will be entitled to a crisis allowance of EUR 200. The allowance is exempt from taxation.

## Overview (continued)

- ▶ **Special aid in the form of basic income (for the self-employed and entrepreneurs)** The Act foresees, due to the decline in income of certain groups of persons, special aid in the form of monthly basic income. Eligible are self-employed persons who, due to the Covid-19 pandemic, are unable to carry out their activities or will perform them on a substantially reduced scale, and other beneficiaries, such as farmers and religious servants of a registered church. Covered members also include individuals insured on the basis of Article 16 of the Pension and Disability Insurance Act (i.e., a single shareholder limited liability company).
- ▶ Beneficiaries will receive exceptional assistance of EUR 350 for the month of March and EUR 700 for the months of April and May 2020 respectively, if they have been in business from 13 March 2020 and when the Act comes into force. A condition for receiving basic income is that in March, self-employed income must have declined by at least 25% as compared to February or at least 50% in April or May relative to February 2020. The beneficiary will be required to make a statement that due to the pandemic Covid-19, he or she is unable to carry out activities or is carrying them out to a reduced extent. The statement should be filed with FURS via eDavki. The filing deadlines are different and affect the date of receipt of the basic income (e.g., those who will submit the statement by 18 April 2020, will receive the funds from FURS by 25 April 2020). The statement of the beneficiaries shall be considered as public information and shall be published on the FURS website accordingly. If beneficiaries do not satisfy the general condition for subsidy, they will have to repay the aid to the state in full amount. Self-employed persons who are compulsorily insured for pension and disability, on the day of the adoption of the Act under the first paragraph of Articles 15 and 16 of the ZPIZ-2 and farmers and religious employees who are insured in accordance with the ZPIZ-2, will be exempt from payment of social contributions for all compulsory social security contributions for the month of April and May 2020.
- ▶ **Health insurance benefits (sick leave compensation):** If an employee is temporarily absent from work due to sickness or injury on his or her employer's charge or entitled to reimbursement, on the day the Act enters into force, the sick leave benefit will be fully covered by compulsory health insurance. The cost of compensation will be provided from the state budget. Requests for reimbursements under this title must be submitted by employers by 30 September 2020 at the latest. The Health Insurance Institute will reimburse the cost of the paid benefit within 60 days to the legal person or within 30 days to the self-employed person.
- ▶ **Payment of tax advances (for legal entities and sole-entrepreneur)** The Act stipulates that advance payments of personal income tax for natural persons engaged in business activity (self-entrepreneur) and advance payments of corporate income tax, which will be due after the adoption of the Act, and up to and including 31 May 2020, are not required to be paid. At the same time, these advances are not considered to be accounted for, and thus the unpaid instalments of the tax are not deducted from the advance payment of personal income tax from the activity for 2020 or from the personal income tax calculated for 2020 (the expected payment of personal income tax in 2021 for 2020).

## Overview (continued)

- ▶ **Foreclosures:** Workers who have court or tax foreclosure will not be required to pay them in the period when the said Act is in force - which is expected to be up to 31 May 2020. Foreclosures on March salaries will not therefore be executed on part of the compensation for waiting for work). For April and May, no foreclosures will be executed on salaries irrespective of type of payment. This does not, however, apply to deduction for child support payments, which must continue to be properly accounted for and deducted.
- ▶ **Payment deadlines** - Payment deadlines when the creditor is a public authority is extended to 60 days. That deadline will remain in force for one year after the end of the Covid-19 pandemic.
- ▶ **Submission and publication of annual reports for insurance companies:** Insurance agencies must submit an annual report and an auditor's report on the auditing of the annual report to the Insurance Supervision Agency no later than five months after the end of the calendar year.
- ▶ **Work and residency permits for foreigners:** Foreigners who until 13 March 2020 had valid legal grounds to stay in the Republic of Slovenia and for objective reasons cannot leave the territory of the Republic of Slovenia shall be allowed to stay in the Republic of Slovenia until the measures for containing the pandemic have been executed.
- ▶ **Cadastral income:** Due to the anticipated loss of production of basic agricultural and forestry products, the Act stipulates that for 2020 the tax base from potential market income for products from land shall be determined at 50% of cadastral income determined on 30 June 2020 and the tax base from potential market income for hive production of 35% of the flat rate per hive established on 30 June 2020.
- ▶ The 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 the 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 Covid-19 pandemic escalate further.

## Personal tax

- ▶ The law extends the deadline for issuance of informative tax calculation for personal income tax for 2019 to 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 aforementioned measure, 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 of 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/](https://www.gov.si/novice/2020-03-20-drzavni-zbor-sprejel-vladne-predloge-na-davcnem-in-kreditnem-podrocju/)

## Overview

- ▶ On 1 April 2020, National Treasury and the South Africa Revenue Service (SARS) published the 2020 Draft Disaster Management Tax Relief Bill and the 2020 Draft Disaster Management Tax Relief Administration Bill (collectively the Draft Bills),

## Personal tax

- ▶ The Employment Tax Incentive (ETI) will be expanded for tax-compliant employers registered with SARS as at 1 March 2020.
- ▶ The expansion will apply for a limited period of four months beginning on 1 April 2020 and ending on 31 July 2020.
- ▶ This will involve increasing the maximum amount of the monthly ETI claim for currently eligible employees (by R500) and also extending the ETI to employees that would not otherwise qualify (due to time or age) where those employees earn below the threshold of R6 500 a month.
- ▶ SARS will also increase the payment of ETI reimbursements from twice a year to monthly.

## 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 July 2020, tax-compliant SMMEs (businesses with gross income not exceeding ZAR50 million) will be able to defer 20% of their employees' tax liabilities. The deferred liability must be settled over six months (from 1 August 2020 to 31 January 2021), with the first payment due on 7 September 2020.
- ▶ 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/public%20comments/DMTRB2020/>
- ▶ [https://www.sars.gov.za/AllDocs/LegalDoclib/Rulings/LAPD-IntR-R-BGR-2020-10-BGR52/Timeframe for the export of goods by vendors and qualifying purchasers affected by COVID 19.pdf](https://www.sars.gov.za/AllDocs/LegalDoclib/Rulings/LAPD-IntR-R-BGR-2020-10-BGR52/Timeframe%20for%20the%20export%20of%20goods%20by%20vendors%20and%20qualifying%20purchasers%20affected%20by%20COVID%2019.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.
- ▶ On 17 March 2020, the Korean National Assembly Strategy & Finance Committee passed various tax relief measures in response to Covid-19.
- ▶ On 2 April 2020, the Korean Tax Service announced the extension of VAT filing and payment for 1<sup>st</sup> quarter of 2020.

## 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).
- ▶ Increase of VAT exemption threshold for simplified VAT registrants (KRW 30 million to KRW 48 million) until the end of 2020.
- ▶ The VAT return due date may be extended by 1 month for those in the special disaster zone and 3 months for those directly affected by Covid-19. Further, application for extension up to 3 months can be made for those affected by Covid-19.
- ▶ The first quarter VAT payment due 24 April 2020 will be deferred to 27 July 2020 for SMEs and sole proprietors and those in the special disaster zone.
- ▶ 70% reduction of special consumption tax on automobile purchased between 1 March - 30 June 2020
- ▶ Temporary VAT reduction for small size sole proprietor
- ▶ Extension of 1<sup>st</sup> quarter VAT filing and payment for up to 3 months

## 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.
- ▶ 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%.
- ▶ One-off increase of the limitation tax deductibility of meals and entertainment expenditures.
- ▶ 50% tax credit on the discounted rental lease amount between 1 January - 30 June 2020.

## 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 17 March 2020 the Government published Royal-Decree Law 8/2020 which, among other measures, includes clarifications on the suspension of deadlines for tax procedures.
- ▶ On 18 March 2020 the Government 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.)
- ▶ On 31 March 2020 the Government published Royal-Decree Law 11/2020 which extended the measures in Royal-Decree 8/2020 to procedures before the Autonomous Regions and Local Tax Authorities.

## 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

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- ▶ 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

- ▶ The Tax and Customs Administration has the following working hours:  
8.00am until 13.00 PM. (17 March to 10 April 2020)

## 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"> <li>▶ On 15 March 2020, the government introduced set of precautionary measures to protect employees and companies from the impact of Covid-19.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ On 24 March 2020, the Prime Minister issued a decision to limit the trading in Damascus Securities Exchange (DSE) to one day per week.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ On 6 April 2020, the Syrian Commission of Financial Markets and Securities issued circulation No.18, considering Covid-19 is a subsequent event to 2019 FS date that does not require modification but rather requires disclosure in accordance with the requirements of IAS 10. A disclosure of the subsequent events in the final FS for the year 2019 should be added to illustrate the potential impact of Covid-19 on the company's activity and its future financial statements.</li> <li>▶ On 6 April 2020, the Minister of Finance issued decision No. 222, regarding tourist facilities, which stated that the tourist facilities that have previously signed agreements related to consensual business numbers, have been terminated due to the suspension of their activities as of Tuesday 7 April 2020. The decision also included authorizing the managers in the provinces to make the required amendments to the minutes of meeting signed with the taxpayers whose activities have ceased completely or partially.</li> </ul>			<ul style="list-style-type: none"> <li>▶ 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</li> </ul>	<p><b>Government materials</b></p> <p><a href="http://www.dse.sy/news/view/4461">http://www.dse.sy/news/view/4461</a></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

### 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.

On 3 April 2020, the Federal Council has decided to increase the bridging program from CHF 20bn to 40bn. A first tranche of CHF 10bn has been approved on 8 April 2020. As a result, the aggregate value of measures implemented by the Federal Council amounts to CHF 50bn (with anticipated increase to CHF 60bn in May).

- ▶ 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 60bn 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 40 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. Nolate 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. On 8 April 2020, the Federal Council has decided that there will be no extension of the legal standstill after 4 April 2020, however, new measures currently are being discussed.

### 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 and employees on demand which have worked for the same employer for at least six months. 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.
- ▶ Income from interim work no longer needs to be credited against short-time work compensation.
- ▶ Settlement process has been simplified in view of rising number of applicants.

### 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.

## 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"> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Several Cantons have extended the deadlines (usually March 31) for handing in Personal tax declarations for 2019.</li> <li>▶ 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.</li> <li>▶ Payment conditions for already issued tax bills are said to be handled accommodative in several cantons.</li> <li>▶ For Federal tax bills due between March 31 and December 31, no interest on late payments will be charged.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Late payment interest was reduced to 0% for the time from 21 March 2020 to 31 December 2020.</li> <li>▶ The existing deadlines therefore remain legally binding, however with the deferral granted, no penalties and interest are assessed.</li> <li>▶ Taxpayers hence may be able to defer their VAT payments without triggering any late payment interest until the end of 2020.</li> <li>▶ 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.</li> <li>▶ Customs duty on the import of important medical supplies are suspended from 10 April to 9 October 2020.</li> </ul>	<p>Direct federal tax</p> <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Instalment plans and deferrals are possible upon application - procedures vary by canton/state</li> </ul> <p>Direct cantonal tax</p> <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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)</li> </ul>	<p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.admin.ch/gov/en/start/documentation/media-releases/media-releases-federal-council.msg-id-78572.html">https://www.admin.ch/gov/en/start/documentation/media-releases/media-releases-federal-council.msg-id-78572.html</a></li> <li>▶ <a href="https://www.admin.ch/gov/de/start/dokumentation/bundesrat.msg-id-78573.html">https://www.admin.ch/gov/de/start/dokumentation/bundesrat.msg-id-78573.html</a></li> <li>▶ <a href="https://www.newrealitylog.com/2020/03/25/co-vid-19-swiss-relief-measures-around-tax-payments-and-deadlines/">https://www.newrealitylog.com/2020/03/25/co-vid-19-swiss-relief-measures-around-tax-payments-and-deadlines/</a></li> <li>▶ <a href="https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78515.html">https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78515.html</a></li> <li>▶ <a href="https://www.bag.admin.ch/bag/de/home/das-bag/aktuell/medienmitteilungen.msg-id-78437.html">https://www.bag.admin.ch/bag/de/home/das-bag/aktuell/medienmitteilungen.msg-id-78437.html</a></li> <li>▶ <a href="https://www.newrealitylog.com/2020/03/20/co-vid-19-the-cross-border-movement-impact-key-observations/">https://www.newrealitylog.com/2020/03/20/co-vid-19-the-cross-border-movement-impact-key-observations/</a></li> </ul>

## 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 10 March 2020, the Cabinet approved 5 tax measures to stimulate the economy, as summarized:

- ▶ Reduction of withholding tax rates
- ▶ A deduction of 1.5 times actual interest expenses allowed for SMEs with soft loans
- ▶ A deduction of 3 times wage expenses for SMEs
- ▶ Acceleration of VAT refunds for domestic business operators
- ▶ Tax deductions for donations made to resolve Covid-19 issues in 2019

On 24 March 2020, the Cabinet approved additional stimulus measures to relieve the impact of the Covid-19 pandemic, as summarized:

- ▶ Tax return filing extensions
- ▶ Tax measure related to health insurance premiums deduction increased to THB 25,000
- ▶ Tax exemption on risk payments for medical workers
- ▶ Import duty exemption for products related to the prevention and treatment of Covid-19
- ▶ 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 tax allowances for donations of money for personal income tax calculation purposes, when combined with other donation expenses, shall not exceed 10% of net income. Donations shall be made via the e-Donation system between 5 March 2020 and 5 March 2021.
- ▶ Provide exemption of personal income tax on risk payments for medical workers in 2020

## VAT, GST and trade

- ▶ Provide exemption of VAT for donations made in assets.
- ▶ Expediting VAT refunds for domestic business operators. The VAT refund procedure for the Good Exporters shall be expedited to return within 15 days for e-filing and 45 days for paper filing.
- ▶ Extend monthly indirect tax (VAT, specific business tax) filing and payment from 1 March 2020 to 30 April 2020 to 23 May 2020 (both paper filing and e-filing)
- ▶ Extend monthly stamp duty filing and payment from 1 April 2020 to 15 May 2020 to 15 May 2020
- ▶ 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 15<sup>th</sup> 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

- ▶ Tax deductible expenses for donations of assets or money for corporate income tax calculation purposes, when combined with other public charity expenses, shall not exceed 2% of net profit. Donations shall be made via the e-Donation system between 5 March 2020 and 5 March 2021.
- ▶ A deduction of 1.5 times the actual interest expenses allowed for SMEs with soft loans. SMEs, who have single books of account and participate in the soft loan scheme of the government, can deduct 1.5 times interest expenses paid from 1 April 2020 to 31 December 2020.
- ▶ A deduction of 3 times the wages expense for SMEs. SMEs can deduct three times the actual wages payment for the months of April 2020 to July 2020, which are made under the prescribed conditions.
- ▶ Reduction of withholding tax rate. WHT rate reduction for service fees under this measure shall be applicable to both individual and company or juristic partnership as below:
  - ▶ From 3% to 1.5% from April 2020 to September 2020
  - ▶ From 2% to 1.5% from October 2020 to December 2021 (only filing via e-withholding tax system)
- ▶ 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
- ▶ Extend monthly withholding tax filing and payment from 1 March 2020 to 30 April 2020 to 15 May 2020 (both paper filing and e-filing)
- ▶ 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

### Government materials

<https://bit.ly/2JnkQGP>

### EY materials

<https://sites.ey.com/sites/THTaxNewsletter/Documents/Flash%20News%20200313%20EN.pdf>

<https://sites.ey.com/sites/THTaxNewsletter/Documents/Flash%20News%20200313%20EN.pdf>

## 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"> <li>▶ <b>Measures affecting the public health sector</b> <ul style="list-style-type: none"> <li>▶ 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.</li> </ul> </li> <li>▶ <b>Measures concerning fully exporting companies</b> <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> </ul> </li> <li>▶ <b>Measures concerning the cultural sector</b> <ul style="list-style-type: none"> <li>▶ Creation of a fund to support the cultural sector and cultural enterprises and projects affected by the cancellation of shows and cultural events.</li> </ul> </li> <li>▶ <b>Measures concerning all sectors</b> <ul style="list-style-type: none"> <li>▶ Legal revaluation of built and non-built properties free of tax, subject to the condition of non-transfer of the said properties.</li> <li>▶ Extension of the deadlines for the payment of road tax on cars until the end of April 2020.</li> <li>▶ 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.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Postponement of the deadline for payment of circulation tax for natural persons until the end of April 2020</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ Exemption of medicines distribution companies at the retail and wholesale stages from VAT.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 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).</li> </ul>	<p><b>Government materials</b></p> <p><a href="https://www.bct.gov.tn/bct/siteprod/documents/Cir_2020_06_ar.pdf">https://www.bct.gov.tn/bct/siteprod/documents/Cir_2020_06_ar.pdf</a></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.
- ▶ On 26 March 2020, the Law Regarding Amendments to Certain Laws no.7226 entered into force.
- ▶ On 24 March 2020, the Turkish Ministry of Finance and Treasury published a General Communiqué No. 518 in the Turkish Official Gazette.
- ▶ 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.
- ▶ The Internet Tax Office has made a service available through which it can be established whether force majeure provisions are applicable for tax purposes.

## 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.
- ▶ The legal amendments providing significant advantages in the existing criteria to benefit from short-time working allowance has been released within the Law No. 7226.
- ▶ Non-Turkish citizens will be able to make their Potential Tax ID requests through the web application ([ivd.gib.gov.tr](http://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](http://ivd.gib.gov.tr)), mobile application (GIB Mobil).
- ▶ On March 30, 2020, the President launched an aid campaign, and stated that donations can be deducted from the declared income / corporate income, provided that it is displayed separately in income and corporation tax returns. A Presidential Decree is expected to be published.
- ▶ Debts of up to 50.000 TL of majority of the taxes including annual income tax, withholding tax and corporation tax will be payable through the Internet Tax Office with credit cards.



## 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.
- ▶ 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 Turkish Revenue Administration, only taxpayers and taxpayer groups listed in the General Communiqué 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 (to 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

- ▶ Accommodation tax is waived until November by Law No. 7226.

## 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>
- ▶ <https://www.gib.gov.tr/katma-deger-vergisi-beyannamelerinin-verilme-ve-odeme-sureleri-ile-form-ba-bs-bildirimlerinin-0>
- ▶ <https://www.vergidegundem.com/sirkuler-detay?circularId=4873475>
- ▶ <https://www.gib.gov.tr/korona-virus-salginindan-etkilenmeleri-nedeniyle-beyanlari-uzatilarak-odemeleri-ertelenen-mukellefler>
- ▶ <https://www.gib.gov.tr/node/143134>
- ▶ <https://gib.gov.tr/518-sira-nolu-vuk-genel-teblig-kapsaminda-mucbir-sebep-durum-sorgusu-interaktif-vergi-dairesinden>
- ▶ <https://www.vergidegundem.com/vergi-sirkuler-detay?circularId=4878966>
- ▶ <https://gib.gov.tr/kredi-kartiyla-odenebilen-vergi-turlerinin-kapsamigenisletilmistir>

## 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 12 March 2020, the Cabinet of Ministers introduced quarantine. The quarantine is considered as force-majeure circumstance as approved by the law on 17 March 2020.
- ▶ Restricted crossing Ukrainian border
- ▶ Prohibited scheduled audits of business entities
- ▶ Postponed deadlines for holding annual shareholders' meetings for 2019 for legal entities that are issuers of securities
- ▶ Released from liability for breaches of disclosure deadlines for FY 2019 financial statements if such statements are disclosed during the quarantine or within 90 calendar days following the day of the end quarantine, but no later than 31 December 2020
- ▶ Extended deadlines for the publication of annual financial statements
- ▶ Extended statutory terms for accrual of penalties for late performance, submission of claims arising from delivery of goods of poor quality, execution of a pre-emptive right to purchase a share in joint shared property and warranty period
- ▶ Extended procedural deadlines in court proceedings
- ▶ Increased state control over prices for medical supplies
- ▶ Suspended privatization of the large-scale privatization objects
- ▶ Banned raising interest rates on loans during the quarantine period. Penalties for late payments under consumer loans abolished
- ▶ Introduced the simplified procedure for public procurement of some categories of goods
- ▶ Introduced administrative and criminal liability for quarantine violations
- ▶ Prohibited operations of businesses of a service sector and passenger transport, except for groceries, pharmacies, medical, banking, insurance institutions and pawnshops and transportation of the core industries workers

## Personal tax

- ▶ **Personal income tax.** Extension of the deadline for 2019 annual tax return filing until 1 July 2020, and the deadline for tax payment on such tax returns - until 1 October 2020
- ▶ **Unified Social Tax fines.** Relief from fines for violation of the UST rules committed between 1 March and 31 May 2020
- ▶ **Unified Social Tax.** Relief from UST self-payments for private entrepreneurs and self-employed individuals for the period from 1 March till 31 May 2020. For the same period - relief from basic fines and penalty, and a moratorium on tax audits related to UST
- ▶ **Tax credit.** The amount of funds or the value of medications, medical equipment or other medical goods donated to public or municipal healthcare institutions or other state or local healthcare authorities during the quarantine may be fully included into the individual tax discount for 2020 tax year

## VAT, GST and trade

- ▶ **VAT.** Relief from import duty and VAT for import of listed medicines, medical products and equipment aimed at combating Covid-19 - until the last day of the month ending quarantine. Customs clearance of such goods is prioritized
- ▶ Relief from VAT to domestic supplies of these goods, with the right to a tax credit
- ▶ Exclusion of the above import and domestic supplies and of provision of charity aid from calculation of the threshold for mandatory VAT registration by non-governmental organizations and charitable organizations
- ▶ Extension till 31 December 2022 of the existing VAT relief for import and supplies of listed medicines and medical products based on contracts with specialized organizations ensuring public procurement under agreements between the Ministry of Health of Ukraine and such specialized organizations
- ▶ Relief till 31 December 2022 from VAT for import and qualifying supplies of listed medicines, medical products and supporting goods, which are purchased at the cost of the state revenue by entity authorized for healthcare procurement
- ▶ **Excise tax.** Excise tax rate is UAH 0 per liter of 100% ethyl alcohol used for production of disinfectants till 31 May 2020
- ▶ Temporary simplification of requirements to the production of disinfectants and shipment of ethyl alcohol for their production
- ▶ Extension till 15 August 2020 (inclusive) of maturity dates of tax bills issued by manufacturers or importers of jet engine and/or gasoline fuels, which occur in March- May 2020. Established procedure for their redemption and protest and penalty for failure to confirm designated use by 15 August 2020

## Business tax

- ▶ **Tax fines.** Relief from most fines for tax violations committed between 1 March and 31 May 2020 (does not apply to fines related to VAT, excise tax, rental payments, etc.)
- ▶ **Penalty.** Relief from penalties from 1 March until 31 May 2020
- ▶ **Tax audits.** Moratorium on documental and factual tax audits from 18 March till 31 May 2020 (except for VAT refund and some other tax audits), and suspension of ongoing tax audits till 31 May 2020. Extension of the timing for desk audits of tax returns (excluding VAT returns) and of adjustments submitted during March-May 2020 to 60 calendar days after the submission deadline and, if filed later, after the day of actual submission
- ▶ **Statute of limitations.** Suspended for the period from 18 March till 31 May 2020
- ▶ **Corporate Income Tax.** During quarantine period the increasing adjustment does not apply to amount of funds or value of listed goods exceeding 4% of the previous year's taxable income, which are donated for prevention of Covid-19 spread to public associations, charitable organizations, public authorities, public/municipal healthcare institutions, person authorized for healthcare procurement
- ▶ Decreasing adjustment should apply to income from receipt of such funds or goods and increasing adjustment should apply to expenses related to use of such funds or goods
- ▶ **Land fee and real estate tax.** Relief from land fee for land used in business activities of individuals and legal entities and from real estate tax on non-residential property for March 2020
- ▶ Special term for payment of these taxes for April 2020 is 30 June 2020, without fines and penalties
- ▶ **Terms for administrative appeal procedure.** Suspended until 31 May 2020 (inclusive) terms for administrative appeal procedure on taxpayers' complaints (except for complaints on legality of VAT refund and / or negative VAT balance), which are received till 31 May 2020 and/or which are not considered as of 18 March 2020
- ▶ **Cash registers.** 3-month postponement for the new rules

## Links and resources

### Government materials

- ▶ <https://zakon.rada.gov.ua/laws/show/540-IX>
- ▶ <https://zakon.rada.gov.ua/laws/show/530-20>
- ▶ <https://zakon.rada.gov.ua/laws/show/533-20>
- ▶ <https://zakon.rada.gov.ua/laws/show/211-2020-%D0%BF>
- ▶ <https://www.kmu.gov.ua/npas/pro-zatverdzhennya-pereliku-likarskih-zasobiv-medichnih-virobiv-taabo-224200320>
- ▶ <http://w1.c1.rada.gov.ua/pls/zweb2/webproc34?id=&pf3511=68403&pf35401=524433>
- ▶ <https://zakon.rada.gov.ua/laws/show/533-IX>

Overview	Personal tax	VAT, GST and trade	Business tax	Links and resources
<ul style="list-style-type: none"><li>▶ The government announced cuts in business fees, customs duties and reduction on utility costs for the next three months.</li><li>▶ 50% reduction in municipal fees paid by hotels and market fees.</li><li>▶ 10% reduction in water and power bills.</li><li>▶ Allowing business licenses to be paid in installments without the usual 25% upfront payment.</li></ul>		<ul style="list-style-type: none"><li>▶ Refund of 20% on custom fees imposed on imported products sold locally in Dubai markets.</li></ul>		

## Overview

- ▶ On 11 March 2020, 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 unveiled a £30 billion package to boost the economy and get the country through the coronavirus outbreak. This has been followed by a number of further announcements and new measures.
- ▶ The measures have since gradually increased in their scope and coverage, and now cover the employed and self-employed, employers, as well as businesses of all sizes.
- ▶ 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 taxable grants 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.
  - ▶ Self-employment Income Support Scheme: three months of taxable grants to the self-employed who were trading in 2019/20 of up to 80% of average monthly trading profits (grant capped at £2,500 per month) for those with trading profits of less than £50,000 pa in 2018/19 or less than £50,000 on average in the three years to 2018/19. The self-employed can still continue to work.
- ▶ Providing cash flow support:
  - ▶ £330bn of Government-backed and guaranteed loans to businesses through three main schemes:
    - ▶ Largest: A Covid-19 Corporate Financing Facility (CCFF) to purchase up to one-year duration commercial paper on terms comparable to those prevailing in markets pre-Covid-19 economic shock
    - ▶ Large: A Coronavirus Large Business Interruption Loan Scheme (CLBILS) providing loans up to £25 million at commercial interest rates for those with turnover between £45 million and £500 million.
    - ▶ SMEs: A Coronavirus Business Interruption Loan Scheme (CBILS) providing loans with no interest and fees due for the first twelve months and 80% guaranteed by government. The loan limit is up to £5 million for businesses with turnover below £45 million. Loans below £250,000 do not require personal guarantee and such guarantees will only cover the 20% unguaranteed amount above that limit.
  - ▶ Deferral of next quarter of VAT payments deferred until end of financial year; deferral of self-employed July 2020 personal income tax instalment payment to January 2021; and a Time to Pay arrangement and 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

## Overview (continued)

- ▶ Supporting individuals (continued):
  - ▶ 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)
- ▶ Supporting health services:
  - ▶ No VAT and import duties will be imposed for certain medical supplies imported from outside the EU until 31 July 2020.

## Personal tax

- ▶ The next self-assessment income tax payment, due at end July 2020, will be deferred until end January 2021. No interest will be charged on the tax deferred.
- ▶ Universal Credit and Working Tax Credit standard allowance extended by £1,000/yr for next 12 months
- ▶ The Self-employment Income Support Scheme (SEISS) will support self-employed individuals (including members of partnerships) who have lost income due to coronavirus (Covid-19). HMRC will invite people to apply online (applications are not yet open).

## VAT, GST and trade

- ▶ VAT payments due from 20 March 2020 - 30 June 2020 will be deferred. 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 2020-21 tax year to pay any liabilities that have accumulated during the deferral period. No interest will be charged on the VAT deferred. VAT refunds and reclaims will be paid by the Government as normal.
- ▶ "Time To Pay" can be claimed on all taxes managed by HMRC. Arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities. HMRC's dedicated telephone helpline for the main taxes is available at +44 800 0159 559.
- ▶ No VAT and import duties will be imposed for certain medical supplies imported from outside the EU until 31 July 2020.

## Business tax

- ▶ Business rates (property tax) 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
- ▶ Employers can claim for 80% of furloughed employees' usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. There is no need to furlough all employees. The minimum furlough period is 3 weeks but employers can use this scheme anytime during this period.
- ▶ The scheme is open to all UK employers that had created and started a PAYE payroll scheme on 28 February 2020.
- ▶ The government has proposed to move forward legislation to allow small-and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to Covid-19.

## 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>
- ▶ <https://www.businesssupport.gov.uk/coronavirus-business-support/>

## 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
- ▶ April 8: Congressional leaders and the Administration are discussing the possibility of speedy action on a \$250b expansion in the funding for the small business loan-to-grant Paycheck Protection Program. Advancement of interim legislation for such an expansion remains unclear.
- ▶ April 9: Fed announces additional actions to provide up to \$2.3 trillion in loans to support the economy, available "to support employers of all sizes and communities across the country."

### State and local level responses

- ▶ A non-exhaustive list of state-level measures may be found in these Tax Alerts from [March 19](#), [March 30](#), and [3 April](#)



## 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](#) (9 April)

[This week's Tax COVID-19 webcasts](#) (6 April)

[Tax Alert | Examining key tax provisions in CARES Act](#) (3 April)

[Tax Alert | Examining the macroeconomic impact of the CARES Act](#) (2 April)

[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, 2020 \(H.R. 6074\)](#)

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

[Coronavirus Aid, Relief, and Economic Security \(CARES\) Act \(H.R. 748\)](#)

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

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

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

[Department of Treasury | Paycheck Protection Program Frequently Asked Questions \(FAQS\)](#)

## 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/comunicacionnoticias/lacalle-medidas-coronavirus-conferencia>
- ▶ <https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/gobierno-nuevas-medidas-economicas-sociales-ante-coronavirus>
- ▶ <https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/flexibilizacion-seguro-paro-mieres>

## Overview

- ▶ The Government of Uzbekistan has introduced certain tax measures to support the economy and businesses amid the global Covid-19 pandemic (by several Decrees of the President and of the Cabinet of Ministers of Uzbekistan).

## Personal tax

- ▶ 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.

## VAT, GST and trade

- ▶ The State Customs Committee of Uzbekistan, as an exceptional case, establishes “green corridors” (i.e. simplified special customs declaration process) for import of medicines, medical devices, medical equipment, as well as materials and substances used for their production as per list provided by the Ministry of Healthcare and Agency for development of pharma industry and customs duties are not levied on those goods;
- ▶ Zero rate of customs duty and excise tax will be effective until 31 December 2020 for the import of goods according to the specific list, which includes certain food products as well as sanitary-hygienic and medical products.
- ▶ In exceptional cases, the Special Republican Commission on Countermeasures against Coronavirus in Uzbekistan is provided with the right to:
  - ▶ Make the decision to provide an Import VAT exemption for the period of up to 3 months for certain medicines and medical devices which were not previously exempt from Import VAT
  - ▶ Reduce customs duty and excise tax rates to 0% for the period of up to 3 months on imported certain types of essential goods as per special established list.
- ▶ From 1 April to 31 December 2020 VAT payers with a sales turnover below UZS 1 billion (approx. US\$105,000) per month who use electronic VAT-invoices, are entitled to calculate and pay VAT on a quarterly basis, rather than on a standard monthly basis.
- ▶ Starting from 1 April 2020 taxpayers utilizing VAT exemptions granted by the decisions of the President of Uzbekistan and the Cabinet of Ministers are entitled to use funds released from taxation freely without redirecting such funds for specific targeted purposes.

## Business tax

- ▶ A 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).
- ▶ From 1 April to 31 December 2020
  - ▶ The increased rates of property tax and land tax related to unused production areas and non-residential buildings, as well as late payment interest and measures of forced collection of these taxes arising from such increased rates, shall not be applied
  - ▶ Tour operators, travel agents and entities providing hotel services (accommodation services) are exempt from payment of land tax and property tax, and are entitled to pay social tax at a reduced rate of 1% on payroll costs (instead of the standard rate of 12%)
- ▶ Starting from the second quarter of 2020 corporate income tax (CIT) payers are entitled to submit CIT advance payments statements based on the expected amount of tax payable, whilst the requirement for calculation of CIT advance payments based on the actual results of the previous quarter is not applied;
- ▶ Income resulting from receipt of an interest-free loan (financial aid), imputed for tax purposes based on the refinancing rate, is not subject to CIT and revenue tax (whichever applies) until the end of 2020.
- ▶ Fixed amounts of individual income tax and social tax are not assessed for individual entrepreneurs, who have been forced to suspend their activities for the period of quarantine measures, by submission of notice through the personal online cabinet of the taxpayer.
- ▶ Until 1 October 2020 interest free tax payment deferral is granted for small businesses and individual entrepreneurs, who have suspended their activities (with mandatory submission of notification to the tax authorities) and/or whose revenue is reduced by more than 50% compared to the average monthly revenue for the first quarter of this year: on revenue tax, property tax, land tax, water use tax - with the obligation of deferred payments in equal installments within further 12 months; on social tax - with the obligation of deferred payments in equal installments within further 6 months.

## Links and resources

- ▶ Presidential Decree #5969 dated 19 March 2020 “On priority measures to mitigate the negative impact on the sectors of the economy of the coronavirus pandemia and global crisis developments”. The Presidential Decree is available in Uzbek and Russian languages via the following link: <https://lex.uz/ru/docs/4770763>
- ▶ Presidential Decree #4662 dated 27 March 2020 “On additional measures for meeting demand of population in medicines, medical products, medical equipment and goods of prime necessity”. The Presidential Decree is available in Uzbek and Russian languages via the following link: <https://lex.uz/ru/docs/4775998>
- ▶ The Decree of the Cabinet of Ministers #176 dated 23 March 2020 “On additional measures to prevent the spread of the coronavirus”. The Decree of the Cabinet of Ministers is available in Uzbek via the following link: <https://lex.uz/ru/docs/4773760>
- ▶ Presidential Decree # 5978 dated 3 April 2020 “On additional measures to support the population, sectors of economy and business during coronavirus pandemia”. The Presidential Decree is available in Uzbek and Russian via the following link: <https://lex.uz/ru/docs/4780477>

## 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.
- ▶ Decree N° 4,167, whereby the labor immobility of the workers of the public and private sector is confirmed until 31 December 2020.
- ▶ Decree N° 4,168, which implements a special regime for the payment of credits in force in the national public and private banks.
- ▶ Decree N° 4,169, which the payment of rental fees for commercial properties and those used as primary housing is suspended until 1 September 2020.

## Personal tax

- ▶ Decree N° 4,171 of 2 March 2020, by which the annual income of territorial source obtained by individuals resident in the country during the fiscal period of 2019, whose normal salary or income from the exercise of its activity at the close of said period does not exceed the amount equivalent to three times the minimum wage (USD 6), is exempted from the payment of Income Tax (IT) in force as of 31 December 2019.

## VAT, GST and trade

- ▶ No suspension or extension of compliance with VAT obligations has been published.
- ▶ However, according to Article 10 of Venezuelan Master Tax Code, it may be understood as non-business days for the computation of tax obligations and penalties since March 15th, 2020, given the suspension of main banking activities by Venezuelan Banking Superintendence.
- ▶ In addition, and according to article 85.3 of the Venezuelan Master Tax Code, the National State of Emergency may be understood as a *force majeure*, being applicable an exemption from tax liabilities and corresponding sanctions.

## Business tax

- ▶ No suspension or extension of compliance with CIT obligations has been published.
- ▶ However, according to Article 10 of Venezuelan Master Tax Code, it may be understood as non-business days for the computation of tax obligations and penalties since 15 March 2020, given the suspension of main banking activities by Venezuelan Banking Superintendence.
- ▶ In addition, and according to article 85.3 of the Venezuelan Master Tax Code, the National State of Emergency may be understood as a *force majeure*, being applicable an exemption from tax liabilities and corresponding sanctions.

## Links and resources



## Overview

- ▶ **Decree on the extension of tax payment and land rental fee**
- ▶ Deferral of the deadline for payments of value added tax (VAT), personal income tax (PIT), corporate income tax (CIT) 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, etc.; construction; transportation, accommodation and catering; activities of human resourcing, travel agents, tour operators and support services related to tourism promotion and organization; creative, artistic and recreational activities; sporting activities, library, movies and other cultures activities.

## Personal tax

- ▶ Extension of 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

- ▶ Extension of 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

- ▶ Extension to the deadline to pay CIT
- ▶ An extension of five months from the payment deadline with respect to the CIT payable arising from the 2019 CIT finalization; the provisional CIT payments of Q1, Q2 2020.
- ▶ Extension of the deadline to pay annual land rental fee
- ▶ An extension of five months for the first payment of 2020 will be granted to those who directly lease land from the State, pay land rental fee on an annual basis and use such land for the abovementioned business activities.

## Links and resources

### Government materials

- ▶ <https://vietnamnews.vn/economy/684933/pm-approves-decree-on-postponement-of-tax-and-land-use-fee-payments.html>

## Overview

- ▶ The Government of Zambia has announced a number of measures to support the economy amid the global coronavirus pandemic.

## Personal tax

## VAT, GST and trade

- ▶ Removal of provisions which prohibited the claim of Value-Added Tax on imported spare parts, lubricants and stationery
- ▶ Suspension of import duty on copper concentrates as a means of alleviating mining companies' escalating operating costs as they struggle to contain lower copper prices on the international market.
- ▶ Suspension of export duty imposed on precious metals and crocodile skin
- ▶ To provide relief to businesses producing sanitizers, suspension of excise duty on imported ethanol for alcohol-based sanitizers and other medicine related activities. The suspension will be pursuant to the guidelines issued by the Zambia Revenue Authority

## Business tax

## Links and resources

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