



# EY Tax COVID-19 Response Tracker

21 May 2020



Building a better  
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 global COVID-19 pandemic. 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:

- ▶ [Force Majeure](#)
- ▶ [Global Mobility](#)
- ▶ [Global Trade Considerations](#)
- ▶ [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)

# 135 Jurisdictions covered

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

Jurisdictions in **bold font** have been updated in today's edition

Jurisdictions in **red font** are new in today's edition

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

[Return to jurisdiction list](#)

## Overview

- ▶ The extension of the State of Natural Disaster was approved by the Parliament of Albania until 23 June 2020.
- ▶ Albania has adopted a series of financial measures in response to the COVID-19 outbreak, including:
  - ▶ \$22 million additional funding for the health sector to support frontline agencies with medical supplies and financial support for medical staff.
  - ▶ \$100 million of Government-backed and guaranteed loans to businesses that face difficulties to pay employees' salaries.
  - ▶ \$58 million as reserve fund to provide social protection in view of the COVID-19 pandemic for:
    - ▶ vulnerable groups by doubling of the unemployment benefits and social assistance layouts.
    - ▶ small businesses/self-employed that are forced to close activities due to the COVID-19 pandemic by paying them twice the amount of minimum salary.
  - ▶ \$18 million for defense spending for humanitarian relief and community services toward vulnerable group.
  - ▶ \$9 million as a reserve fund for the Council of Ministers for any unforeseen emergency.
  - ▶ The Bank of Albania announced a temporary change on the provisioning requirements, effective from March 12th to May 31st, enabling clients to ask banks and other financial institutions to defer loan installments without penalties.
    - ▶ On 25 March 2020, the Bank of Albania cut interest rates by 0.5 percentage points to 0.5 percent.
- ▶ The government declared the state of natural disaster on 24 March, almost two weeks after the spread of the virus and the first known case.
- ▶ The Government of Albania published on the Official Gazette on 17 April 2020 a second Financial Package of roughly \$200 million.
- ▶ The package includes an additional \$130m of Government-backed and guaranteed loans to businesses in difficulties, extending to sectors greatly affected from COVID-19 and previously left out such as tourism, toll-manufacturing and production. These funds will be made available through a risk-sharing mechanism between the Government and commercial banks.
- ▶ The second package includes financial support to employees of businesses affected by the COVID-19 crisis, which were not covered by the first financial package and consists of a one-off payment of roughly \$350 per person for the entire period April - June 2020. The following categories of employees will be able to benefit from this one-off payment:
  - ▶ Employees of medium and large business that closed their activities by order of the Ministry of Health and Social Protection
  - ▶ Laid-off workers of business that were allowed to operate who were terminated from the entry into force of the preventive measures until 10 April 2020
  - ▶ Employees of small business that were allowed to operate and thus could not benefit from the first financial aid package, excluding food and groceries stores, drugstores and liberal professionals
  - ▶ Employees of accommodation businesses.
- ▶ Court proceedings are suspended and deadlines for indictments and appeals are deferred.

| Business tax   | Personal tax | VAT, GST and trade | Other measures   | Links and resources   |
|--|--------------|--------------------|--|---|
| <ul style="list-style-type: none"> <li>▶ The deadline to submit the Financial Statements for the year 2019 and accompanying information, as required by the administrative guidelines, is extended to 31 July 2020, from 31 March 2020.</li> <li>▶ For taxpayers with turnover up to 14m ALL, or €110,000, installments of the 2020 tax-profit prepayments will not be made.</li> <li>▶ For taxpayers with turnover over 14m ALL or €110,000, profit tax installments for periods of the second and third tax quarter, April-June and July-September 2020, will not be prepaid. Payments of these installments are postponed to April-September 2021. This exception does not apply to taxpayers who carry out economic activities in the field of banking, telecommunications, pharmaceutical products, food, fruit and vegetables products.</li> <li>▶ The above exception applies as well to tax installments on profit for tax periods April-December 2020, for taxpayers conducting economic activities in the field of tourism and processing active with ordering material and call center will not be prepaid. Payments of these installments are postponed in the period April-December 2021.</li> <li>▶ Submission of the annual statement individual income of 2019 to the tax authorities and payment of liability if there is any, must be completed no later than 31 July 2020.</li> </ul> |              |                    | <ul style="list-style-type: none"> <li>▶ Hearings in administrative, civil and criminal cases are postponed until the state of the epidemic caused by the spread of COVID-19 ends.</li> <li>▶ Deadlines for filing lawsuits, appeals as well as any procedural action in administrative, civil, and criminal courts will be suspended. When deadlines begin during the suspension period, they will be postponed until the end of the pandemic.</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 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

- ▶ The Angolan Government has announced a number of measures to improve and expand the access to credit lines, to be made available by financial institutions and guaranteed by the State:
  - ▶ **Streamlining of credit lines obtained with external financing guaranteed by the State:** Credit operations carried out with credit lines obtained with external financing guaranteed by the State, namely \$1B from Deutsche Bank assigned to Banco de Desenvolvimento de Angola (BDA) and \$120M from Banco Africano do Desenvolvimento (BAD) assigned to Banco de Poupança e Crédito (BPC), will benefit entrepreneurs in the Agriculture, Fishery and Industry sectors, providing simplified and rapid access to these resources. This includes those who intend to make investments that have more than 50% incorporation of national production factors and those that promote exports. Monitoring of these measures will be carried out by a Supervision Committee, coordinated by the Ministry of Economy and Planning and managed on a sector-by-sector (excluding oil production) basis.
  - ▶ **Reinforcement of the rules established in the Banco Nacional de Angola (BNA) notices on the granting of credit by Banking Financial Institutions to national producers of essential goods:** The credit balance contracted by each Banking Financial Institution under the terms of Notice no. 10/2020 and Notices no. 4/19 and 7/19 of 3 April and 7 October 2020, respectively, at the end of each financial year, must represent at least 2.5% of the total net asset value recorded in the corresponding balance sheets at 31 December of the previous year.
    - ▶ At the same time, for the 2020 financial year, Banking Financial Institutions must ensure a minimum of:
      - ▶ The granting of 50 new credits, if the total net assets recorded in the Institution's balance sheet is equal to or greater than 1.5B Kwanzas (local currency in Angola) at 31 December 2019.
      - ▶ 20 new credits, in other cases.

### Credit lines

- ▶ **FADA Line:** Credit line of 26.4B Kwanzas provided by FADA (*Fundo de Apoio ao Desenvolvimento Agrário*) to finance family agribusiness.

- ▶ **BDA Line I:** Credit line of 15B Kwanzas made available by the BDA to finance the purchase of commercial operators and distribution to national producers of referenced products.
- ▶ **BDA Line II:** Credit line of 13.5B Kwanzas granted by the BDA to finance purchases by family farmers' cooperatives and small and medium-sized agribusiness entrepreneurs-from national suppliers of improved seeds of cereals, vegetables and tubers, fertilizers, pesticides, and vaccines, and providers of agricultural soil preparation and correction services, prioritizing products made in Angola.
- ▶ **BDA Line III:** Credit line of 750M Kwanzas granted by the BDA to finance projects (up to 50M Kwanzas) to modernize and expand the activities of up to 15 cooperatives for each province, in the agriculture and fishery sectors.
- ▶ **FACRA Line:** Credit line of 4B Kwanzas granted by FACRA (*Fundo Activo de Capital de Risco*) to finance microfinance companies, field schools and community credit banks, selected through public tender, to operate, at the lowest possible cost, a microcredit allocation process for women and young entrepreneurs in referenced activities.

### Non-refundable incentives

- ▶ **Support for the capitalization of cooperative companies in the Primary Sector:** Support in the amount of 3B Kwanzas made available by FACRA to make investments in the equity of agricultural, livestock and fisheries cooperatives, participating in the payment of the share of equity required under the loans granted by the BDA.

### Bureaucracy simplification measures:

- ▶ Companies are no longer required to perform statistical registration
- ▶ The issuance of a Commercial Permit is no longer required for most commercial activities or the provision of services - except for the activities related to the marketing of food products, vegetables, living species, poultry and fisheries, medicine, car sales, fuel, lubricants and chemicals
- ▶ The requirement for companies to license foreign technical assistance and management contracts regulated by Presidential Decree no. 273/11, of 27 October - Regulation on the Contracting of Foreign Technical Assistance or Management Services - has been revoked

## Personal tax

The rules regarding the payment of social security contributions have been temporarily altered by Presidential Decree no. 98/20, of 9 April 2020:

- ▶ Authorization for deferral of payment of payroll tax contributions (8%) due from companies for the 2nd quarter of 2020, allowing payment in six monthly installments during the months of July to December 2020, without interest.
- ▶ Employers in the private sector required to directly return to their workers the portion of such payroll tax contributions (3%) made by those workers during the months of April, May and June 2020.

## VAT, GST and trade

- ▶ Further to the financial and tax measures adopted, the Angolan Government has introduced measures aimed at providing Tax relief for the production and import of goods
- ▶ Following Presidential Decree No. 98/20, of 9 April, companies are granted a 12-month tax credit with reference to VAT due on the import of capital goods and raw materials used in the production of goods included in Presidential Decree No. 23/19, of 14 January 2020 (i.e., basic food items and other priority goods of national origin).
- ▶ Additionally, through Presidential Decree no. 96/20, of 9 April 2020, the Government has also authorized an exemption from VAT and customs duties on the import of goods for humanitarian aid.
- ▶ The cost of importing of those types of goods, those produced in Angola, as well as services and funds made available for the same purpose, will be considered as tax deductible costs for the purposes of Corporate Income Tax, as long as they are properly documented.

## Business tax

- ▶ Extension of the deadline for complying with tax compliance obligations and the payment of taxes: Following Presidential Decree no. 98/20, of 9 April, the deadlines for the final settlement of the Corporate Income Tax were extended:
  - ▶ Until 30 June 2020 for companies included in Group A of taxation
  - ▶ Until 29 May 2020 for companies included in Group B of taxation
- ▶ In order for Angolan banks to be ready to provide credit lines to businesses and industries, the Angolan Government also set up certain measures to improve and reinforce access to credit.

## Links and resources

### EY materials

- ▶ <https://emeia.ey-vx.com/1694/140166/landing-pages/linha-ey-pandemia--angola.-o-que-fazer-perante-a-pandemia.pdf>

## Overview

- ▶ Argentina has issued emergency measures to address economic impact of COVID-19 pandemic.
- ▶ Suspension by the Federal tax authority between 18 March and 24 May 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 24 May 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 20 March and 24 May 2020 on all administrative procedures ruled by Law No. 19,549.
- ▶ Prohibition for 120 days since 31 March 2020 of dismissals of employees without cause, for lack or reduction of workload or force majeure.
- ▶ Prohibition for 120 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.
- ▶ Extension of due date to 24/27 July 2020 (depending on the tax ID of the taxpayer) for individuals to file and pay annual income tax and personal assets tax returns for tax year 2019.

## VAT, GST and trade

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

## Business tax

- ▶ Exemption of social security taxes for certain companies engaged in activities particularly affected by the COVID-19 pandemic (e.g. tourism, entertainment industries, restaurants, hotels and passenger transport activities). This exemption could potentially be extended to companies dealing with logistic or supply chain issues due to the pandemic
- ▶ Reduction for 90 days of 95% of social security contributions for employers on health activities.
- ▶ Reduced 0.25% and 0.5% rates (instead of general 0.6% and 1.2%) on tax on debits and credits in bank accounts for employers on health activities for 90 days.
- ▶ Mandatory use of electronic filings with the Federal Tax authorities on certain proceedings and formalities until 30 June 2020.
- ▶ Reduction of up to 95% of social security contributions accrued in April and May 2020 for companies engaged in non-essential activities.
- ▶ Compensatory allowance equivalent to 50% of net salary of each employee as of February 2020 for April 2020, and as of March 2020 for May 2020, paid by the Argentine Government directly to employees of companies engaged in non-essential activities. (up to ARS 33,750 per employee -approx. USD \$480).
- ▶ Zero rate loan up to ARS 150,000 -approx. USD 2,300- with no financial cost for self-employed workers and simplified regime small taxpayers (Monotributo)
- ▶ Extension of due date to 26 and 27 May 2020 (depending on the tax ID of the taxpayer) for filing and payment income tax returns of legal entities for tax years ending December 2019.

## 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/335000-339999/335977/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/336031/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335976/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/336824/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/336734/norma.htm>
- ▶ <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/336003/texact.htm>

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   |
|--|--------------|--------------------|--------------|---|
| <p>As a countermeasure 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> <ul style="list-style-type: none"><li>▶ <a href="https://www.gov.am/am/news/item/14159/">https://www.gov.am/am/news/item/14159/</a></li></ul> |

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>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 and tour operators, bars and 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 to 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/fisc-aal-noodplan-2020">https://www.impuesto.aw/fisc-aal-noodplan-2020</a></li> <li>▶ <a href="https://www.impuesto.aw/fisc-aal-noodplan-2020-vragen-van-belastingadviseurs-beantwoord">https://www.impuesto.aw/fisc-aal-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. US \$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/remmit 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 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 may 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

- ▶ The Government's total economic support for the economy to date is A\$320 billion across the forward estimates, representing 16.4% of annual GDP.
- ▶ On 23 March 2020, Parliament passed approximately A\$86b in previously announced economic stimulus measures. Legislation was enacted on 24 March 2020.
- ▶ On 8 April 2020, Parliament passed the legislation for the A\$130b JobKeeper wage subsidy scheme. Detailed rules with an Explanatory Statement were signed by the Treasurer on 9 April 2020.
- ▶ A legislative instrument for an alternate decline in turnover was released on 23 April 2020. Further rules were issued on 1 May 2020 providing a narrow alternative decline in turnover test for Group Employer Entities and Australian Taxation Office (ATO) guidance is now being issued at a rapid pace.

### Foreign Investment Review Board

- ▶ Foreign investments into Australia (where the investor acquires a 20% ownership interest or increases a pre-existing ownership interest of 20% or more) and corporate reorganisations now require approval regardless of value effective from 29 March 2020.

### State and territory governments

- ▶ Combined economic stimulus and support packages in excess of A\$12.5 billion.

### Industry specific

- ▶ Federal 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.
- ▶ Grants and funding put in place at state level.

## Personal tax

- ▶ The 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\$10,000 of their superannuation, on a tax-free basis in 2019-20, and up to a further A\$10,000 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 wage subsidy scheme

- ▶ The JobKeeper subsidy provides A\$1,500 every two weeks per retained employee to employers. Eligible employers include businesses with aggregated annual turnover (global turnover) <A\$1 billion where their Australian GST turnover has fallen by 30%, or 50% for businesses with aggregated annual turnover >A\$1 billion. The turnover based on modified GST concepts must generally have fallen in the relevant month or quarter relative to a year earlier, but alternate tests are available for certain classes of taxpayers. The subsidy is available from 30 March 2020 and may run to 27 September 2020. The necessary requirements must be met by the relevant deadlines for an employer to qualify for the JobKeeper subsidy. These include:
  - ▶ Enrolment with the ATO (including employee notifications which must be completed before enrolment and notification of eligible employees to the ATO): The due date will be 31 May 2020 for the JobKeeper fortnights occurring in April and May, and thereafter, the end of each JobKeeper fortnight.
  - ▶ Wage condition: Eligible employees must be paid by the end of each JobKeeper fortnight (except payments for the first two fortnights which had to be made by 8 May 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 (acquired after 12 March 2020 and first used or installed by 30 June 2021) on installation.

### 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\$50 million.
- ▶ **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.

### 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 installments), 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 installments may be varied down to zero for the March 2020 quarter and a refund claimed for installments made for the September and December 2019 quarters. Penalties for installment 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\$20 million or a cash refund of 43.5c per \$1 for companies with global revenue <\$20 million.

### State payroll tax measures

- ▶ **Australian Capital Territory:** Businesses with payroll <A\$10 million, interest free deferral for FY20/21 until 1 July 2022 (on application). Businesses in the construction industry, interest free deferral from April to September 2020 (on application).

Waiver for the hospitality, creative arts, entertainment industries and other impacted businesses from April to September 2020 (on application).

JobKeeper Payments will be exempt from payroll tax in the Australian Capital Territory.

- ▶ **New South Wales:** Deferral for six months for businesses with payroll >A\$10 million. Businesses with payroll <A\$10 million: i) Deferral for six months; ii) 25% reduction in annual payroll tax liability upon filing of the annual reconciliation.

Payroll tax cuts by increasing exemption threshold to A\$1 million in FY20/21.

## Business tax (continued)

- ▶ **Northern Territory:** Exemption for hiring Territory employees extended to 30 June 2021.  
Businesses that are registered on the Department of Trade, Business and Innovation's Business Hardship Register (broadly businesses with annual turnover up to A\$50 million that can demonstrate a COVID-19 related reduction in turnover of at least 30% compared to the same month or quarter in 2019) may be eligible for the following payroll tax relief: Deferral for six months for businesses with payroll >A\$7.5 million where turnover has reduced by at least 50%; or waiver for six months for businesses with payroll <A\$7.5 million 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 two months; ii) Deferral for the 2020 calendar year (until 14 January 2021). Businesses with payroll <A\$6.5 million (apply online): i) Refund for two months; ii) Waiver for three months; iii) Deferral for the 2020 calendar year (until 14 January 2021).  
for three months; iii) Deferral for the 2020 calendar year (until 14 January 2021).  
JobKeeper Payments will be exempt from payroll tax in Queensland.
- ▶ **South Australia:** Businesses with payroll >A\$4 million may be able to obtain a six month deferral on demonstration of significant impacts on cash flow (on application).  
Businesses with payroll up to A\$4 million will receive waiver for six months (Revenue SA will contact eligible businesses).  
JobKeeper Payments are exempt from payroll tax in South Australia.
- ▶ **Tasmania:** Waiver for the entire financial year FY19/20 for businesses in the hospitality, tourism, seafood and export sectors (on application).  
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.  
JobKeeper Payments will be exempt from payroll tax in Tasmania.
- ▶ **Victoria:** Refunds for FY19/20 for small and medium-sized businesses with payroll <A\$3m (State Revenue Office will contact eligible businesses) and deferral for the first 3 months of the 30 June 2021 financial year until 1 January 2021. JobKeeper Payments to employees currently stood down or payments above an employee's usual salary are exempt from payroll tax and WorkCover premium in Victoria.
- ▶ **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\$7.5 million in the 2019/20 income year on application; and if less than A\$5 million by ticking a box on the return.  
Payroll tax cuts by increasing exemption threshold to A\$1million in FY20/21.  
JobKeeper Payments are exempt from payroll tax in Western Australia.

## 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:

- ▶ [https://www.ey.com/en\\_gl/tax-alerts/australia-enacts-jobkeeper-payments-wage-subsidy-law](https://www.ey.com/en_gl/tax-alerts/australia-enacts-jobkeeper-payments-wage-subsidy-law)
- ▶ [https://www.ey.com/en\\_gl/tax-alerts/australian-jobkeeper-wage-subsidy---developments-and-action-plan-to-accelerate-payment](https://www.ey.com/en_gl/tax-alerts/australian-jobkeeper-wage-subsidy---developments-and-action-plan-to-accelerate-payment)
- ▶ [https://www.ey.com/en\\_gl/tax-alerts/australian-jobkeeper-new-rules--ato-guidance-and-extensions-require-urgent-action](https://www.ey.com/en_gl/tax-alerts/australian-jobkeeper-new-rules--ato-guidance-and-extensions-require-urgent-action)

#### Federal Government materials

#### Legislation:

- ▶ [https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills](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-19 landing page:

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

#### JobKeeper landing page:

- ▶ <https://www.ato.gov.au/General/JobKeeper-Payment>

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

[Return to jurisdiction list](#)

## 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 installments. 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 installments 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 installments.
- ▶ 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 COVID-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 EUR3,000 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 EUR3,000. 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 may 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 installments. 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 program 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 installment 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 installments is possible. This already applies for tax payments that were due on 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 installments, taxes must be paid by 30 September 2020.
- ▶ Taxpayers can apply for no interest to be applied on deferred payments; such applications need to be filed together with applications to defer tax payments or to pay taxes in installments.

## 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)

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Central Bank of The Bahamas has arranged with domestic banks and credit unions to provide a three-month deferral against repayments on credit facilities for businesses and households that were negatively impacted by the COVID-19 pandemic. This program will be revisited in June 2020.
- ▶ Social Services to provide Bahamians with social benefits stemming from the impact of COVID-19 on the community. B\$4M budget has been allocated for food and social assistance.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and 60 days thereafter, requirements to pay insurance premiums have been suspended (this includes health, medical, and life insurance policies).
- ▶ Insurance claims made during this time shall still be honored, 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.
- ▶ The Small Business Development Centre (SBDC) rolled out the Government's B\$20M COVID-19 response, targeted to provide loans to small businesses, ranging from B\$5,000 to \$300,000. These loans are earmarked for operating costs.

## Personal tax

## VAT, GST and trade

- ▶ The Bahamas Government has designed a tax credit system which allows businesses to retain the funds which would have been earmarked for VAT Receipts collected (up to \$200,000 per month for up to three 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.
- ▶ VAT Returns and payments are still due by the 21st of each month.

## Business tax

- ▶ Regarding Business license fees, effective 17 March 2020 and for the duration of the state of public emergency and 30 days thereafter, requirements to file documents (form, application) and pay fees/renew business licenses are suspended.
- ▶ The Government has designed a tax credit system which allows businesses to retain the funds which would have been earmarked for Business License fees collected (up to \$200,000 per month for up to three months. Additionally, half of this amount would be translated to a temporary tax credit or deferral (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/wholesale grocery, hotels/resorts; regulated financial institutions, telecommunications and gaming.

## Other measures

- ▶ Regarding National Insurance, no filing postponement for National Insurance Contribution forms and payments, which continue to be due on 15th of each month.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and 14 days thereafter, requirements to file documents or declarations/pay fees subject to the International Business Companies Act have been suspended.
- ▶ Effective 17 March 2020 and for the duration of the state of public emergency and 30 days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licenses, visas, permits to government entities/statutory bodies/regulators have been suspended, this includes Company filings.
- ▶ Regarding FATCA/CRS/CbCR, effective 17 March 2020 and for the duration of the state of public emergency and 30 days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licenses, visas, permits to government entities/statutory bodies/regulators have been suspended.
- ▶ Regarding Economic Substance filing obligations, a Public Notice issued on 30 March 2020 provides that a three month extension for Bahamas Economic substance reporting has been granted.
- ▶ The transition period in the Register of Beneficial Ownership Act has been suspended for the duration of the public emergency and 60 days thereafter.

## Links and resources

### Government materials

- ▶ <http://www.thebahamasinvestor.com/2020/extension-of-deadline-for-economic-substance-filing-pdf>
- ▶ <https://www.nib-bahamas.com/NIB-News/NIB-Makes-More-Than-11-Thousand-Unemployment-Benefit-Payments>
- ▶ <http://www.bahamas.gov.bs/wps/wcm/connect/4c7cc60f-1403-4b1a-88b8-b2e33a7a3162/Public+Notice+for+Tourism+Workers+-+FINAL.pdf?MOD=AJPERES>
- ▶ <https://www.bahamas.gov.bs/wps/wcm/connect/5bcf1df0-0420-4d00-94d6-e7bf907f91e2/Notice-Suspension+of+obligations+signed.pdf?MOD=AJPERES>

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>▶ The Government of Bahrain announced a BHD4.3 billion economic stimulus package to support the country's citizens and private sector.</li> <li>▶ On 17 March 2020, ministers announced an eight-point economic package that commits the government to:               <ul style="list-style-type: none"> <li>▶ 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</li> <li>▶ 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</li> <li>▶ Exempting all individuals and businesses from municipal fees for three months from April 2020</li> <li>▶ Exempting all businesses from industrial land rental fees for three months from April 2020</li> <li>▶ Exempting all tourism-related industry from tourism levies for three months from April 2020</li> <li>▶ Doubling the Liquidity Support Fund to BHD 200 million</li> <li>▶ Increasing the Central Bank of Bahrain's loan facilities to BHD 3.7 billion to allow debt installments to be deferred and extra credit to be extended</li> <li>▶ 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.</li> </ul> </li> <li>▶ 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.</li> </ul> |              |                    |              | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.bna.bh/en/GovernmentofBahrainannouncesBHD4.3billioneconomicstimuluspackage.aspx?cms=q8FmFJgiscL2fwizON1%2BDp6Z7IZ3o6%2BzWIZ1S8%2BYrsU%3D">https://www.bna.bh/en/GovernmentofBahrainannouncesBHD4.3billioneconomicstimuluspackage.aspx?cms=q8FmFJgiscL2fwizON1%2BDp6Z7IZ3o6%2BzWIZ1S8%2BYrsU%3D</a></li> </ul> |

## Overview

- ▶ BBD\$600 per month to be provided to approximately 1500 vulnerable families and a 40% increase in all rates and fees already paid by the Welfare Department to individuals.
- ▶ Companies retaining at least ¾ of their workforce will receive a deferral of employers' National Insurance Scheme contributions for three months.
- ▶ Commercial Banks will offer a three to six 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.
- ▶ A BBD\$40 million VAT Loan Fund will be established for those companies who are registered and pay VAT and who can show that their cashflow has been severely disrupted by the pandemic and the measures taken to contain the outbreak. The loan fund will offer twelve-month, interest-free loans representing half of the amount paid by in the taxpayer's last VAT filing before the onset of the pandemic. Eligible firms must maintain at least 75% of their normal staff levels.
- ▶ A BBD\$20 million Small Business Wage Fund will be administered by Fund Access for firms too small to be eligible for VAT or VAT refunds (i.e., micro and small businesses). This Fund will contribute BBD\$500 per month per employee up to five employees, where the employer is registered at the Small Business Association, the Barbados Revenue Authority, and the National Insurance Scheme.
- ▶ A BBD\$200 million tourism facility will be established to provide urgent working capital and investment loans to Barbadian hotels during the current period.
- ▶ BBD\$274 million will be invested into the capital works program to facilitate the refurbishment of buildings, on-road construction, market refurbishment, a massive environmental clean up and sanitization program, and digitization etc.
- ▶ An expanded BBD\$50 million capital works program will be undertaken by the Barbados Water Authority.
- ▶ The Government has "strongly encouraged" landlords to temporarily halt evictions. This measure will be codified if necessary.

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

## Personal Tax

- ▶ The personal tax filing deadline has been extended from 30 April 2020 to 29 May 2020.
- ▶ BBD\$50 million representing personal income tax refunds will be settled in order to assist individuals with much needed liquidity.

## VAT, GST and Trade

- ▶ BBD\$80 million representing value added tax refunds will be settled in order to assist businesses with much needed liquidity.

## Business tax

- ▶ BBD\$89 million in corporation tax refunds will be settled later in the year as cash flow allows.

## Other measures

- ▶ Private sector investments in tourism will be expedited.
- ▶ Government to expedite certain infrastructural projects.
- ▶ 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 having a two year supply.
- ▶ Regulations for medical cannabis will be expedited.

## Links and resources

## Overview

- ▶ The government is providing support for temporary unemployment due to COVID-19 (under specific conditions).
- ▶ For persons (business, self employment and mortgage borrowers) with payment difficulties, deferral for repayment of loans until 30 September 2020 is available.
- ▶ Federal state provides guarantee on new loans and credit lines granted by banks.
- ▶ Insurance sector to support both individual laid off and companies in difficulties because of COVID-19 through series of measures including extension of coverage and waiver of payment of insurance premiums. Conditions apply.
- ▶ No impact of home office work due to COVID-19 on Belgian territory, on applicable social security regime.
- ▶ Guarantees and tax exempted cash incentives set out by Belgian Regional authorities available to individuals, companies and self-employed persons impacted by COVID-19.
- ▶ Increased flexibility in terms of meeting formal conditions for certain support measures and subsidies.
- ▶ National Labor Council concludes agreement to extend the possibility to introduce temporary unemployment for white collar workers to all Belgian companies.

## Personal tax

- ▶ Upon request, payment plans, the waiver of late payment interest, and waiver of penalties for non-payment is available (under specific conditions).
- ▶ A tax deduction is available for donations in kind of medical materials or products useful in the fight against COVID-19. Donation must be made between 1 March 2020 up to and including 30 June 2020 by natural or self-employed persons to hospitals (linked to a university or the Public Social Welfare Office). Conditions apply.

## VAT, GST and trade

- ▶ Upon request, payment plan, waiver of late payment interest and waiver of penalties for non-payment is available (conditions need to be met)
- ▶ Periodic VAT returns:
  - ▶ Return for February 2020, normal deadline being 20 March 2020: deadline extended until 6 April 2020.
  - ▶ Return for March 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020.
  - ▶ Return for the first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 7 May 2020.
- ▶ Payment of VAT:
  - ▶ An automatic deferral of payment of two months for VAT without having to pay fines or interest applies. This deferral will apply to:
  - ▶ VAT payment for monthly return - February 2020, normal deadline being 20 March 2020: deadline extended until 20 May 2020.
  - ▶ VAT payment for monthly return - March 2020, normal deadline being 20 April 2020: deadline extended until 20 June 2020.
  - ▶ VAT payment for monthly return - first quarter of 2020, normal deadline being 20 April 2020: deadline extended until 20 June 2020.
  - ▶ In addition to this automatic deferral of payment, taxpayers can also apply for installment payments of the debts relating to VAT.
- ▶ No VAT on donations of medical equipment and protective gear - under certain conditions.

## Business tax

- ▶ Upon request, payment plan, waiver of late payment interest, and waiver of penalties for non-payment is available (conditions need to be met)
- ▶ Deferral of payment of social security liabilities for Q1 and Q2 2020 available upon request
- ▶ Deferral of payment and filing of returns for wage WHT
- ▶ Deferral of payment of tax liability, extension of filing of corporate income tax returns/non-resident tax returns (due from 16 March to 30 April) to 30 April
- ▶ Deferral of payment of property taxes
- ▶ Delay for tax audits or remote tax audits
- ▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-Luxembourg tax treaty
- ▶ Increased tolerance for home office workers to not constitute a PE in view of the Belgium-France tax treaty
- ▶ Fast-track procedure for ruling request (with template) for indemnification of home office costs in relation to COVID-19
- ▶ Modification of the advance tax payment regime - increase of the bonification of the third and the fourth quarter of the financial year, and as such reducing the penalty for postponing prepayment to the second half of the year. The due dates for the tax prepayments remain unchanged as well as the general percentage of the tax increase in case of insufficient prepayments of 6.75%.
- ▶ Circular letter states that COVID-19 is an exceptional circumstance, justifying tax exemption for impairments of trade receivables for corporate income tax purposes.
- ▶ Tax shelter for the audiovisual sector and performing arts - extension of the expenditure periods.

## Links and resources

### EY materials

- ▶ [https://www.ey.com/en\\_be/covid-19](https://www.ey.com/en_be/covid-19)

### Government materials

- ▶ <https://finances.belgium.be/fr/entreprises/mesures-de-soutien-dans-le-cadre-du-coronavirus-covid-19>
- ▶ <https://finances.belgium.be/fr/Actualites/convention-belgo-luxembourgeoise-preventive-de-la-double-imposition-mesure-exceptionnelle>
- ▶ <https://finances.belgium.be/fr/Actualites/%ef%83%98belgique-france-r%C3%A9gime-travailleurs-frontaliers---coronavirus-covid-19>
- ▶ <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-sest-propagee-update-18032020>
- ▶ <https://www.ruling.be/fr/actualites/demande-teletravail-covid-19>
- ▶ [https://www.socialsecurity.be/site\\_fr/employer/applics/paymentplan/index.htm](https://www.socialsecurity.be/site_fr/employer/applics/paymentplan/index.htm)
- ▶ <https://www.rsz.fgov.be/fr/employeurs-et-onss/mesures-coronavirus/report-de-paiement-des-sommes-dues-l-onss>
- ▶ <https://finances.belgium.be/fr/Actualites/coronavirus-report-des-contr%C3%B4les-sur-place-non-essentiels>
- ▶ <https://www.nbb.be/en/articles/guarantee-scheme-individuals-and-companies-affected-corona-crisis>
- ▶ <https://www.nbb.be/en/articles/insurance-sector-also-working-tackle-socio-economic-impact-coronavirus-crisis>
- ▶ <https://finances.belgium.be/fr/Actualites/pas-de-tva-sur-les-dons-de-mat%C3%A9riel-m%C3%A9dical-aux-h%C3%B4pitaux>

## Overview

- ▶ The Government is planning to introduce a number of economic stimulus packages to benefit residents impacted by the COVID-19 pandemic. Details will 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.
- ▶ The Bermuda Economic Development Corporation has released their economic relief packages available to small and mid-sized companies. Grants and loans are available, depending on the recipient's size, of up to \$40,000.

## Personal tax

## VAT, GST and trade

## Business Tax

## Other measures

- ▶ Regarding Company filings, all company filings and registrations can still be done electronically through the Bermuda Registrar of Companies. However, processing times may be delayed.
- ▶ Bermuda has extended the deadline to file and pay statutory fees (Government annual fees) from 31 March to 30 June 2020.
- ▶ Regarding FATCA, the Bermuda Minister of Finance has extended the FATCA and CRS deadlines for Bermuda Reporting Financial Institutions for the period ended 31 December 2019 to 15 July 2020.
- ▶ Regarding CRS, the Bermuda Minister of Finance has extended the deadlines for Bermuda CbCR 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.
- ▶ Regarding Economic Substance, 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 six 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 COVID-19.

## 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-koninkrijk>

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

[Return to jurisdiction list](#)

## 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>

| Overview  | Personal tax  | VAT, GST and trade   | Business tax   | Links and resources  |
|---|---|--|--|--|
| <ul style="list-style-type: none"> <li>▶ Both the Government of Federation of Bosnia and Herzegovina (FBiH*) and the Republic of Srpska (RS) have announced measures related to stabilization of effects arising from the COVID-19 pandemic, so far such measures aim at postponing tax filings and deferral of certain tax liabilities. Further measures continued to be discussed.</li> <li>▶ Different types of deferrals on loan repayments are available for citizens and entities.</li> <li>▶ Measures for FBiH are published on the Tax Authorities website, and relevant legislation is pending.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Statutory deadline for submission of the annual personal income tax return for 2019 in FBiH* and RS extended to 30 April 2020.</li> <li>▶ Statutory deadline for submission special republic tax for entrepreneurs and registered weapons in RS for 2020 extended to 30 April 2020.</li> <li>▶ In FBiH* extended deadline for submission of salary related tax returns for employees and entrepreneurs to 30 April (for March salary) and 30 May (for April salary).</li> <li>▶ Statutory deadline for payment of tax liabilities due on 31 March 2020 for personal income tax in RS is extended to 30 June 2020 (liability is to be settled in installments by the end of 2020) for entrepreneurs that are facing business-related difficulties caused by implementation of COVID-19 pandemic suppression measures.</li> <li>▶ For RS, calculated salary related taxes and SSC for March 2019 for legal entities and entrepreneurs that are prohibited to work during the state of national emergency will be paid by the Government directly to the relevant funds, whereby in Canton Sarajevo (main canton in FBiH) Government will refund only minimal net salary for March (under certain conditions).</li> </ul> | <ul style="list-style-type: none"> <li>▶ Decree has been adopted related to VAT and customs exemption for medical equipment and assets donated by domestic and international entities for purposes of prevention and suppression of corona virus.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Both Tax Administrations of FBiH* and RS have extended the statutory deadline for submission of annual tax returns to 30 April 2020.</li> <li>▶ The statutory deadline for payment of tax liabilities due on 31 March 2020. for corporate income tax and <i>fees for forest and fire protection</i> in RS is extended to 30 June 2020, whereby entities that are facing business-related difficulties caused by implementation of COVID-19 pandemic suppression measures can ask for further delay and settle due liabilities in installments by the end of 2020. Entities are to notify the Tax Administration of RS about such difficulties via a written statement (form can be found on the official Tax Authority's web page).</li> <li>▶ Statutory deadline for payment of real estate tax extended to 30 September 2020 for first installment and to 31 December 2020 for the second installment.</li> </ul> | <p><b>Government materials</b><br/>(Bosnian language only)</p> <ul style="list-style-type: none"> <li>▶ <b>Official Gazette of Republic of Srpska</b></li> <li>▶ <a href="http://www.pufbih.ba/v1/novosti/1764/kontakt-adrese-i-telefoni-za-dostavu-poreznih-prijava-i-podnesaka-a-rok-za-predaju-poreznih-prijava-je-produen">http://www.pufbih.ba/v1/novosti/1764/kontakt-adrese-i-telefoni-za-dostavu-poreznih-prijava-i-podnesaka-a-rok-za-predaju-poreznih-prijava-je-produen</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> <li>▶ <a href="http://vijeceministara.gov.ba/saopstenja/sjednice/najave_sa_sjednica/default.aspx?id=32629&amp;langTag=bs-BA">http://vijeceministara.gov.ba/saopstenja/sjednice/najave_sa_sjednica/default.aspx?id=32629&amp;langTag=bs-BA</a></li> <li>▶ <a href="https://www.poreskaupravar.org/Documents/Aktuelno/Obavjestenje%20o%20podnosjenju%20pismene%20izjave%20za%20odgadjanje%20placanja%20obaveza.pdf">https://www.poreskaupravar.org/Documents/Aktuelno/Obavjestenje%20o%20podnosjenju%20pismene%20izjave%20za%20odgadjanje%20placanja%20obaveza.pdf</a></li> </ul> |

Find the most current version of this tracker on [ey.com](https://www.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>▶ On 2 April 2020, in response to the COVID-19 pandemic, Botswana's Ministry of Finance and Economic Development issued a press release on some of the measures taken by Government to mitigate the effects of COVID-19.</li> <li>▶ The Government has established a Fund to which individuals, businesses and other organizations are encouraged to contribute.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Introduction of a wage subsidy to help businesses retain employees during the COVID-19 lockdown. The Botswana Unified Revenue Service (BURS) will administer the wage subsidy program. Key features include:               <ul style="list-style-type: none"> <li>▶ Payment of 50% of the basic salary of employees of affected businesses.</li> <li>▶ Subsidies for employees ranging between P1000 - P2500 per month for three months (i.e., April, May and June 2020).</li> <li>▶ Participating businesses must be registered for tax with BURS. The targeted affected sectors are still to be identified. Parastatal organizations and businesses with direct government shareholdings are excluded.</li> <li>▶ Eligible businesses must supply payroll information to BURS, including name, Omang (ID), Taxpayer Identification number (if available) and basic monthly salary.</li> <li>▶ Claims will be subject to audit.</li> </ul> </li> <li>▶ Further information on the program will be forthcoming. However, assistance will be offered to businesses regardless of whether they owe tax to BURS, provided there are no workforce reductions due to COVID-19.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The following tax concessions will be available for tax-compliant businesses adversely affected by COVID-19:               <ul style="list-style-type: none"> <li>▶ VAT refund processing periods will be reduced from 60 to 21 days.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>▶ The following tax concessions will be available for tax-compliant businesses adversely affected by COVID-19:               <ul style="list-style-type: none"> <li>▶ 75% of any two self-assessment tax (SAT) payments that are payable between March and September 2020 may be deferred and be paid starting in March 2021.</li> <li>▶ The tax filings of businesses with turnover of over P250 million annually will be negotiated with BURS on a case-by-case basis.</li> <li>▶ Waiver of payment of the Vocational Training Levy for six months</li> <li>▶ Businesses are expected to continue filing tax returns electronically. However, where for some reason companies cannot access e-services, no penalties will be charged for failing to comply.</li> </ul> </li> <li>▶ Note that contributions to the Government COVID-19 Fund will not qualify as deductible expenditure for tax purposes.</li> </ul> | <p><b>EY materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://taxnews.ey.com/news/2020-1004-botswana-announces-tax-measures-to-mitigate-impact-of-covid-19">https://taxnews.ey.com/news/2020-1004-botswana-announces-tax-measures-to-mitigate-impact-of-covid-19</a></li> </ul> |

## Overview

- ▶ The Brazilian Minister of Economy has presented proposals to counter the economic slowdown deriving from the COVID-19 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 three months.
- ▶ The Central Bank has reduced the SELIC rate (basic interest rate of the Brazilian economy) in 0.5% (from 3.75% to 3%).
- ▶ 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 seven 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 #849/20 - authorized digital meetings for investment funds and approval of the financial statement when the meeting cannot occur.
- ▶ CVM Deliberation #849/20 - Postponed:
  - ▶ For public companies with calendar year ending (31 December 2019 and 31 March 2020):
    - ▶ Financial statement for five months starting at the end of the calendar year.
    - ▶ Annual report for six months starting at the end of the calendar year.
    - ▶ Two months for the deadline listed on CVM #480
  - ▶ 45 days for the quarterly information form of the fiscal year of companies with calendar year ended on 31 December 2019.
  - ▶ Three months for the deadline on CVM #539.

## Overview (continued)

- ▶ Suspended for four months art.13 of CVM #476 when, alternatively or cumulatively: a) the acquirer is a professional investor; and b) a security issued by a company registered with the CVM.
- ▶ CVM deliberation #848/20 - Postponed certain deadlines that were due during 2020 according to CVM, as well as the end of the vacancy period of CVM's Instruction #617/2019 that provides suspension of the deadlines related to administrative penalties of the CVM.
- ▶ ORDINANCE /INPI #119/20- INPI - Reduced customer service operation, online public service only and suspension of terms.
- ▶ ORDINANCE/INPI/#120/20 - Suspension of deadlines from 16 March 2020 until 14 April 2020.
- ▶ MP #936/20 - Complementary labor measures to reduce the work hours and salaries of the employees, temporary suspension of the work contract, complementation of the worker's salary amount reduced through the unemployment insurance. The compensatory aid paid by the employer may be excluded from income tax and social contribution tax basis for calculating the net profit. This measure is applicable for companies under actual profit method calculation.
- ▶ Brazilian Central Bank announced the temporary suspension of profits distribution and increase in the remuneration of bank managers and other financial institutions until 30 September 2020.
- ▶ Resolution #4.786 - Central Bank of Brazil authorized to grant loan operations through the Special Temporary Liquidity Line.
- ▶ MP #944/20- Established the Emergency Employment Support Program, aimed at credit operations for companies with gross annual revenue between R\$360,000 and R\$10 million in 2019. It is exclusively for employees' payroll and it is limited to two minimum wages (up to R\$ 2,090.00) per worker.
- ▶ MP#946/20 - Temporary authorization for withdrawal of FGTS balance from 15 June to 31 December 2020, up to R\$1.045 per worker. PLP 149/19 - The Chamber of Deputies approved a complementary bill for the Union's financial aid to states,
- ▶ Federal District and municipalities to compensate for the ICMS and ISS collection of 2020 in relation to 2019. The funds will be delivered from May to October and refer to the difference in collection, if any, between April to September. This measure awaits Senate approval.
- ▶ IN DREI #79/20 - Set the protocols for participation and remote voting, authorized by the MP #931, for public and limited liability companies (SA, Ltda.) and cooperatives meetings.
- ▶ Deliberation #855/20 - Established procedures for conducting judgment sessions exclusively by videoconference during COVID-19 crisis.

## 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, #28/20, #31/2020 and #32/20.
- ▶ Normative Instruction #1,927 - 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 30 September 2020 for these products. 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 - 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 139/20 - Postponed 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 15th business day of July.
- ▶ Normative Instruction #1,929/20 - lists products subject to priority customs clearance related to COVID-19.
- ▶ Decree #10,318/20 - reduced to zero the rate of PIS and Cofins levied upon sales and importation of zinc sulfate (classified in the tariff codes 3003.90.99 - bulk and 3004.90.99 - retail). The measure will be valid up to 30 September.
- ▶ PLC #149/19 - the Chamber of Deputies approved a complementary bill for the Union's financial aid to states, Federal District and municipalities to compensate for the difference of the ICMS and ISS collection of 2020 compared to the collection in 2019. The difference of the collection between 2019 and 2020 will be paid from May to October.
- ▶ Ordinance ME #158 - Reduced to 0% of the Import Duty due on import of products shipped by postal services or airmail, up to U\$10.000 or the equivalent in another currency, until 30 September 2020. Products are listed in the Annex of the ordinance.
- ▶ Decree #10,278/20 - Established the requirements to digitalize public or private documents, in order to scanned documents produce the same legal effects as original documents.
- ▶ Siscomex Notice #16/20 - Implementation of the full exemption from ICMS per screen in the Centralized Payment module of the PCCE, waiver of the requirement of presenting the physical document for the removal of load in the warehouse.
- ▶ Siscomex Notice #17/20 - Flexibility in the receipt of instructing documents customs clearance by digital means.
- ▶ Siscomex Notice #18/20 - Ratification of the legal effects of the original documents received electronically based on Decree nº 10.278 / 2020.
- ▶ Siscomex Notice #20/20 - Expedited parameterized consent for the import license requests involving goods classified under NCM subject to COVID-19 counter.
- ▶ Siscomex Notice #21/20 - The information related to operations with payment over a period of more than 360 days, or without exchange coverage for reasons 30, 57, 66 and 70, must be provided in its own field, providing greater control by the RFB.

## VAT, GST and trade (continued)

- ▶ Siscomex Notice #23/20 - Waiver of the SUEXT's consent license, for the items that the legislation specifies.
- ▶ Siscomex Notice #08/20 - Requirement of "Special export license for products to counter COVID-19" to complete the export of such products. This is an exceptional measure to counter the COVID-19 pandemic. Protectionist measure to prevent the export of the items listed during the pandemic period.
- ▶ Ordinance SUEXT #16/20 - Monitoring by requiring export authorization and licensing of the items listed in order to protect internal supply.
- ▶ Ordinance SUEXT #18/20 - Suspended the import licensing requirement for the products listed on the ordinance.
- ▶ IN #1,933/20 - Suspended until 30 September, the deadline for exporters of precious or semi-precious stones and jewelry, on consignment, to proceed with the return to the country of those sent on consignment and not sold abroad, or for the definitive exportation of those that are sold.
- ▶ RDC #348/20 and #356/20 - Simplified the requirements for the manufacture, import and purchase of medical devices identified as a priority, such as surgical masks.
- ▶ RDC #366/20 - Imports of goods for in vitro diagnosis of COVID-19 may be carried out through the Import Licensing (SISCOMEX) and Express Shipping modalities.
- ▶ State Law #17893/20 - The Santa Catarina State announced the exemption of the ICMS payment on goods and medical equipment (national and imported) related to the COVID-19 pandemic until September 2020.
- ▶ State Law #11.107/20 - State of Mato Grosso reduced the internal ICMS tax rate to 7% on medical product (e.g. alcohol; inputs for the manufacture of alcohol gel, medical gloves; medical masks) and to any products indicated by the Ministry of Health for the prevention and treatment of COVID-19.
- ▶ District Decree #40.549/20 - Federal District exempted from ICMS internal output and medical products (e.g. alcohol; Inputs for the manufacture of alcohol gel, medical gloves, medical masks)
- ▶ State Decree #622/20 - State of Para reduced the internal ICMS tax rate to 7% on medical product (e.g. alcohol, medical gloves, medical masks).
- ▶ IN #1.936/20 - Changed the customs import clearance, due to the COVID-19, by extending for 60 days the submission of the certificate of origin of imported goods as long as the commercial invoice contains the exporter number and description of the goods; and the amount of taxes levied on imports that are no longer collected or which benefit from suspension of payment.
- ▶ MP #960/20 - The deadline of the payment of suspended taxes foreseen in the Drawback Suspension Granting Act that had been extended for one additional year and expires in 2020. The granting acts may be postponed for one additional year from the original expiry date.
- ▶ IN #1940/20 - Specified that the limit on the Ordinance ME #158 of US\$10,000.00 will be for imports made by: I - individual of finished products belonging to the classes of medicines under the conditions or II - individual/legal entity of the goods classified in the codes of the NCM.
- ▶ IN #1947/20 - Authorized, until 30 September 2020, the requests for application and extinction of application of customs regimes to be formalized through a digital service dossier (RFB IN #782 and #1,783) based on the beneficiary's request. Suspended until 30 September, the deadlines for carrying out procedural acts related to the temporary admission and exportation regimes of goods transported under the protection of ATA and the deadlines for returning goods with temporary exit authorized (IN SRF #300), which were in progress as of 4 February 2020. Also exempted the verification of goods, including vehicles, in the situations referred to IN SRF #300, when the available information or other means make it possible for customs inspection to properly identify the asset and ensure that it is within the corresponding incentive area.
- ▶ IN #1944/20 - Replaced the list of imported products, annex II of IN #680, which are authorized to be delivered after the registration of the corresponding import declaration and before the conclusion of the customs conference at the request of the importer, due to Emergency Public Health of National Importance (Espin).
- ▶ Law #13.993/20 - Suspended the export of medical materials (e.g. hospital beds, mechanical ventilation device, monitors and equipment for personal protection) necessary to counter COVID-19.
- ▶ Ordinance ME #194/20 - Replaced the annex of the Ordinance MF #156/99, listing the medical products sent by post or airmail (up to US\$10,000) that are entitled to the import tax exemption.

## Business tax

- ▶ Resolution #152 - "Simples" system: Postponement of tax collection - Postponement for six 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.
- ▶ Suspension for 90 days of deadline to present Requests, Defense or Appeal to PGFN (Until 06/18/20) (Ordinance PGFN no. 7821/20)
- ▶ 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 - extended 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.
- ▶ Joint Ordinance #555: Postponement, for additional 90 days of the date until a Debt Clearance Certificate (CND) and CPEND are valid (for certificates issued and valid on 24 March 2020).
- ▶ Decree #10.284/20 - Postponement of the due date for the payment of air navigation fares/tariffs during the period of COVID-19 pandemic.
- ▶ State Decree # 64.879/20 - Services as the board of trade of the state of São Paulo (JUCESP), reduced customer service operation, online public service only. Attorney General of the State suspended, for 90 days, abusive acts that lead to a protest of debts registered in the active debt.
- ▶ MP #930/20 investments made by financial institutions and other institutions in a controlled company established abroad:
  - ▶ from FY2021, the exchange variation of the portion with risk coverage (Hedge) shall be computed in the determination of the actual profit and in the (cont.)calculation basis of the Social Contribution on Net Income of the controlling entity domiciled in the country: I - 50%, in the FY2021; and II - 100%, from the FY2022.
- ▶ For bankruptcy or extrajudicial liquidation of financial institutions decreed after the date of the publication of this provision, the presumed credit "bad debt" (Law #12.838) will be applied until 31 December 2022, to the balance of credits arising from tax loss and negative social contribution base resulting from hedging operations of the foreign exchange risk in a controlled company domiciled abroad.

**Business tax (continued)**

- ▶ MP #932/20 reduced the contribution rates for the Sistema S during the three months starting in April. The new contribution rates are:
  - ▶ Sescop 1,25%; Sesi, Sesc and Sest 0,75%; Senac, Senai and Senat 0,5%; Senar 0,1% 0,125% and 1,25%. Sebrae will allocate at least 50% of the additional contribution to the Guarantee Fund for Micro and Small Enterprises (GFMSE).
- ▶ Decree 10.305/20 - Reduced the IOF rate to ZERO for credit transactions made between 3 April 2020 to 3 July 2020.
- ▶ Ruling COSIT #32/20 - Allows register of PIS credits under non-cumulative regime when, by legal imposition, companies allocate workers in activities of producing goods or providing services and provide personal protective equipment (EPI).
- ▶ PL 985/20 - Project of law approved by the Chamber of Deputies postponed up to 90 days, the payment of social security contributions by companies. It also suspended fines for non submission of the DEFIS; LCDPR; ECD; ECF; DCTFWeb; EFD-Contributions; EFD-Reinf. Pending Senate approval.
- ▶ IN #1,935/20 - Extended the list of online services to be provided by Brazilian IRS (e.g., orientation on open debts, installment payments, and refund requests).
- ▶ Ordinance #9.924/20 - Revoked Ordinance #7820 and established the conditions for an extraordinary transaction in the collection of the Union's active debt, due to the COVID-19 for debtors registered in the DAU, requiring a down payment of 1% of the total amount of the debt, divided into up to three equal and successive installments and the remainder within 81 months for the extraordinary transaction in the collection of the Union's active debt. For social security debts, the installment will be divided in up to 142 months.
- ▶ Ordinance ME #103/20 - Suspended for 90 days the deadlines for the defense of taxpayers in administrative proceedings for the collection of the Union's active debt, submission of Active Debt Certificates for extrajudicial protest, new procedures for collection and taxpayer accountability, and procedures for termination of installments due to default. It also allows a proposal for a negotiation program regarded to debts registered in the Federal Government's active debt.
- ▶ MP #952/20 - postponed the deadline for the payment of taxes on telecommunications services from 31 March to 31 August 2020. For Condecine tax, the postponement will be granted if the requirements are met under MP #2.228/01.
- ▶ Ordinance #7.280 and #8.457 - Established the procedures, requirements and conditions necessary for the extraordinary transaction in collecting the outstanding debt of the Union whose enrollment and administration devolve to the Attorney General of the Treasury, due to the effects of COVID-19.
- ▶ PGFN Ordinance #10.205/20 - Modified Ordinance PGFN #7,821, suspending for 90 days the initiation of procedures for exclusion of taxpayers from the National Treasury Attorney General's Office installment programs, due to default of installment payments since February 2020.
- ▶ ME Ordinance #201/20 - Postponed the deadline of the monthly installments related to the installment agreements between taxpayer and RFB and PGFN. The new deadline for the installments is until the last business day of the following months: May to August 2020, June to October 2020, and July to December 2020, The measure does not apply to installments under the Simples Regime for the collection of taxes and contributions.
- ▶ IN #1950/20 - Deadline for the submission of the ECD (Digital Accounting Bookkeeping) for the calendar year of 2019 was postponed to the last business day of July 2020, including in cases of extinction, incorporation, merger and total or partial spin-off of the legal entity.
- ▶ Ordinance #961/20 - Postponed the FGTS payment for up to six months. The installments maturing between March and August 2020 that have been defaulted will not result in the automatic termination of the installment plan. In the case of payment of the installments, the reprogramming of the installments maturity that remain open as of September 2020 is authorized. For new installment agreements signed until 31 December 2020, there will be granted a grace period of 90 days for the beginning of the maturity of the installments part of the agreement.
- ▶ Resolution CGSN #155/20 - Postponed the deadline of the monthly installments related to the SIMPLES regime and SIMEI installment agreements administered by SERFB and PGFN. The new installments deadline is the last business day of the following months: from May to August 2020, from June to October 2020, and from July to December 2020.

## 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>
- ▶ <http://www.in.gov.br/en/web/dou/-/resolucao-n-28-de-1-de-abril-de-2020-251062799>
- ▶ <http://www.in.gov.br/web/dou/-/resolucao-n-31-de-7-de-abril-de-2020-251704729>

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)

Products subject to priority customs clearance (annex):

- ▶ <http://normas.receita.fazenda.gov.br/sijut2consulta/link.action?visao=anotado&idAto=108156>

Imported products subject to Import Duty Reduction shipped by postal services or airmail:

- ▶ [https://www.lex.com.br/legis\\_28008925\\_PORTARIA\\_N\\_158\\_DE\\_15\\_DE\\_ABRIL\\_DE\\_2020.a.spx](https://www.lex.com.br/legis_28008925_PORTARIA_N_158_DE_15_DE_ABRIL_DE_2020.a.spx)

- ▶ Imported products subject to Import Duty Reduction shipped by postal services or airmail:  
[https://www.lex.com.br/legis\\_28008925\\_PORTARIA\\_N\\_158\\_DE\\_15\\_DE\\_ABRIL\\_DE\\_2020.a.spx](https://www.lex.com.br/legis_28008925_PORTARIA_N_158_DE_15_DE_ABRIL_DE_2020.a.spx)

Siscomex Importers -

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-016-2020/>

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-017-2020/>

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-018-2020/>

Siscomex Importers-

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-020-2020/>

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-021-2020/>

- ▶ <http://www.siscomex.gov.br/importacao/importacao-n-023-2020/>

Siscomex Exporters:

- ▶ <http://www.siscomex.gov.br/exportacao/exportacao-n-008-2020/>

SUEXT -

- ▶ [http://www.mdic.gov.br/images/REPOSITORIO/secex/gab/portarias\\_secex\\_2020/Portaria\\_SECEX\\_016\\_2020.pdf](http://www.mdic.gov.br/images/REPOSITORIO/secex/gab/portarias_secex_2020/Portaria_SECEX_016_2020.pdf)

- ▶ [http://www.mdic.gov.br/images/REPOSITORIO/secex/gab/portarias\\_secex\\_2020/Portaria\\_SECEX\\_018\\_2020.pdf](http://www.mdic.gov.br/images/REPOSITORIO/secex/gab/portarias_secex_2020/Portaria_SECEX_018_2020.pdf)

Collegiate Board Resolution RDC

- ▶ [http://portal.anvisa.gov.br/documents/10181/5815062/RDC\\_348\\_2020\\_.pdf/ea3791b2-ca73-4ae9-83b8-1882f1e80662](http://portal.anvisa.gov.br/documents/10181/5815062/RDC_348_2020_.pdf/ea3791b2-ca73-4ae9-83b8-1882f1e80662)

- ▶ [http://portal.anvisa.gov.br/documents/10181/5809525/%281%29RDC\\_356\\_2020\\_COMP.pdf/ac8cc717-4eed-43ee-938f-5c0b3a6db4cd](http://portal.anvisa.gov.br/documents/10181/5809525/%281%29RDC_356_2020_COMP.pdf/ac8cc717-4eed-43ee-938f-5c0b3a6db4cd)

- ▶ <http://portal.anvisa.gov.br/legislacao#/visualizar/417918>

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

[Return to jurisdiction list](#)

## Overview

- ▶ Cabinet passed the Financial Services (Exceptional Circumstances) Bill on 30 March 2020. This bill makes special and urgent provisions for temporary disruption in the financial services industry.
- ▶ The Government is planning to introduce a number of economic stimulus packages to benefit residents impacted by the COVID-19 pandemic. Details to be released at a later date.
- ▶ The BVI Government has approved an economic stimulus program to assist the territory due to the impact of COVID-19 and approved \$2 million allocation to the Health Emergency Operations Centre (HEOC) for the purpose of food provisioning for those who are unable to afford food.

## Personal tax

## VAT, GST and trade

## Business Tax

## Other measures

- ▶ Regarding the Foreign Account Tax Compliance Act (FATCA), the 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 previous announcements. It will extend the FATCA enrollment deadline to 31 July 2020 and extend the filing deadline to 31 August 2020.
- ▶ Regarding Common Reporting Standards (CRS), the enrollment deadline has been extended to 30 June 2020 and the filing deadline to 31 July 2020.
- ▶ Regarding Economic Substance, 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 (to allow social distancing protocols to be followed); 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 should retain documentation to support such claims.
- ▶ Financing & Money Services (Amendment) Act 2020 passed which requires a 7% tax to be levied by money transfer agencies on all monies leaving the territory.
- ▶ Regarding Company filings, all filings and registrations can be done electronically through the VIRRGIN system; Investment business licensees, mutual funds, and approved managers were encouraged to comply with 31 March 2020 deadline for payment of annual license fees; FSC will not apply nor issue penalty fees for late submission until after 30 April 2020.
- ▶ Court searches are available and will be available during the 24-hour curfew period for Registry staff only.
- ▶ Company searches can be performed electronically through the VIRRGIN system.
- ▶ Trademark and Patent searches have been suspended during the curfew period.

## 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>

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 Government announced a state of emergency followed by imposing strict quarantine measures on 20th March 2020.
- ▶ On 23 March 2020 the Government adopted legislative changes to meet the economic needs of the business and the individuals. Generally, the changes concern extension of the legally established deadlines for tax reporting and payment by both businesses and individuals.
- ▶ 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 plus 60% of the social and health insurance contributions paid by the employer. The measure takes place with effect from 13 March 2020. Employers will be entitled to compensations for a maximum period of three months within the state of emergency.
- ▶ Local micro and small enterprises impacted by the COVID-19 crisis with decrease in their income by a minimum of 20% are eligible to apply for a grant support of up to BGN10,000 (EUR5,000) under Operational Program "Innovation and Competitiveness". Eligible costs under the procedure are costs necessary to overcome the lack of funds or lack of liquidity, occurred as a result of the COVID-19 outbreak, such as costs for the purchase of raw materials and consumables; external service costs; staff expenses. The procedure is open for application until 15 June 2020.
- ▶ Preferential loans for companies operating in Bulgaria. Details are yet to be announced, and eligibility criteria and specific conditions are in the 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) and tax on vehicles and real estate 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/izplashtane-na-kompensacii-za-zapazwane-na-zaetostta/> (only Bulgarian version available)
- ▶ Operational Program "Innovation and Competitiveness" 2014-2020 (OPIC): <http://opic.bg/procedure/bg16rfop002-2073-podkrepa-na-mikro-i-malki-predpriyatiya-za-preodolyavane-na-ikonomicheskite-posledstviya-ot-pandemiyata-covid-19> (only Bulgarian version available)

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

[Return to jurisdiction list](#)

## Overview

- ▶ Responding to COVID-19 spread and its impact on the Cambodian economy, in particular on the garment and tourism and hospitality sector, the Prime Minister has issued various Decisions relating to the policies and measures that will provide measures and incentives to support the economy recovery.

## Personal tax

- ▶ In response to COVID-19, from 10 April 2020, the government will contribute US\$40 per month for two months to support individuals who are working in the garment and tourism sector and are suspended from their employment.
- ▶ Employers are exempt from paying national social security fund contributions for employees during business suspension.
- ▶ Delay the time for paying the seniority payment.
- ▶ There is an exemption from penalties for late renewal of work permit for 2020.

## VAT, GST and trade

- ▶ From February to May 2020, hotels and guesthouses operating in Siem Reap are exempted from their monthly tax payment including VAT.

## Business tax

- ▶ Taxpayers can upload scanned tax returns to e-Tax Services from February to June 2020, while the hard copy tax returns can be filed within three months of the statutory deadline.
- ▶ Garment manufacturers are exempted from annual tax on income for a period from six months to one year depending on the actual impact.
- ▶ Casinos are exempted from making fixed gaming tax from April 2020 until their operations resume.
- ▶ Airlines in Cambodia are exempted from 1% Minimum Tax and Prepayment Tax on Income for 3 months from March to May 2020.
- ▶ Tourism business in Phnom Penh, Siem Reap, Preah Sihanouk, Kep, Kampot, Bavit and Poipet provinces/cities are exempted from monthly tax payments from March to May 2020 and allowed to pay monthly installment of annual tax on income liability from the due date 31 March 2020 until November 2020.
- ▶ No tax audit for 2020 tax-year operations for hotels and guesthouses operating in Siem Reap.

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 30 April 2020, the Cameroon Government introduced economic measures in response to the COVID-19 pandemic.

## Personal tax

- ▶ Suspension of general accounting checks for the second quarter of 2020, except in the event of suspicious tax behavior.
- ▶ Deferral for up to three months of social contribution payments due in the months of April, May and June 2020, on justified request.

## VAT, GST and trade

- ▶ Suspension of general accounting checks for the second quarter of 2020, except in the event of suspicious tax behavior
- ▶ Clearance of stocks of VAT credits awaiting reimbursement by making available to companies a budget of CFA25 billion.
- ▶ Temporary suspension for a period of three months, of the payment of parking and demurrage fees in the ports of Douala and Kribi for basic necessities.

## Business tax

- ▶ Taxpayers may postpone the deadline for the filing of Annual Statistical and Fiscal Statements without penalties, in the event of payment of the corresponding balance (no specific postponement deadline is provided. In practice, taxpayers can freely request for an extension of deadline).
- ▶ Granting of moratoriums and deferred payments to companies directly affected by the crisis, including suspending forced recovery measures against them.
- ▶ Suspension, for a period of three months, namely April, May and June, of on-the-spot checks by the National Social Security Fund (CNPS).
- ▶ The cancellation of penalties for late payment of social security contributions due to the CNPS, on justified request.
- ▶ Deferral for up to three months of social contribution payments debt due in the months of April, May and June 2020, on justified request.
- ▶ Total deductibility for the determination of Corporate Income Tax of donations and gifts made by companies for the fight against the COVID-19 pandemic.

## Links and resources

- Government materials
- ▶ <https://www.spm.gov.cm>

**Overview****Federal**

- ▶ On 18 March 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.
- ▶ Since being announced, a number of these new measures have been periodically expanded, and they 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 13 March 2020 by the Minister of Finance, Governor of the Bank of Canada and Superintendent of Financial Institutions.

**Provinces and Territories**

- ▶ All Canadian provincial and territorial governments have now also announced stimulus measures and these are also summarized here.

**Personal tax**

- ▶ **Individuals: Extended tax return filing deadline** - For individuals (other than trusts and deceased individuals), 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 installments 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 installment 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.
- ▶ **Temporary measure re. already filed paper returns** - Beginning on 20 April 2020, the CRA will allow an electronic filer to submit a personal tax (T1) return for their client, even if a paper return has already been filed for the tax year, but has not yet been processed. This temporary measure excludes returns where the CRA’s web response stated that the return must be paper filed, or electronic filing exclusions are applicable.
- ▶ **Taxable benefits** - CRA will accept a reimbursement not exceeding \$500 for personal computer equipment enabling an employee to work from home is not a taxable benefit for the employee (with supporting documentation).

**Links and resources****EY materials**

- ▶ [EY Tax Alert 2020 Issue No. 29 - Update on Canada Emergency Wage Subsidy](#)
- ▶ [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)

**Government materials**

- ▶ [Finance Canada Economic Response Plan](#)
- ▶ [CBSA Customs Notice 20-10](#)
- ▶ [Canada Revenue Agency COVID-19 update](#)
- ▶ [Canada Revenue Agency - collections-audits-appeals](#)
- ▶ [E-file - Temporary measure for already paper-filed returns](#)
- ▶ [CRA FAQs re. Canada Emergency Wage Subsidy](#)
- ▶ [CRA CEWS Application Guide](#)

## 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 to initiate any post-assessment GST/HST audit until further notice.
- ▶ **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 installments 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 installments 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 to initiate any post-assessment income tax audit until further notice.
- ▶ **Suspension of audit interaction** - For most businesses, the CRA will also temporarily suspend audit interaction with taxpayers and their representatives.
- ▶ **Charities: Extended filing deadline** - For all charities with a Form T3010, *Registered Charity Information Return*, due between 18 March 2020 and 31 December 2020, the filing deadline is extended to 31 December 2020.
- ▶ **Temporary 10% wage subsidy** - Eligible employers that pay remuneration to an employee on or after 18 March 2020 and before 20 June 2020 benefit from a reduction in remittances of federal, provincial, or territorial income tax by the amount of the subsidy. Eligible employers include CCPC's eligible for small business deduction (without regard for the grind-down for passive investment income), as well as individuals (other than trusts), eligible partnerships, non-profit organizations and registered charities. Although the relevant regulations have not been released yet, the subsidy is to be equal to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. This measure is only applicable to remittances made to the CRA. [Note: In circumstances where an eligible employer also qualifies for the Canada Emergency Wage Subsidy (see below), any benefit received from the 10% temporary wage subsidy will reduce the subsidy available under the Canada Emergency Wage Subsidy.]
- ▶ **Canada emergency wage subsidy** - This new measure is comprised of two parts: a 75% wage subsidy, and a 100% add-on refund of certain payroll contributions. Eligible employers are entitled to the 75% wage subsidy when they suffer a drop in revenues of at least 15% in March 2020 or 30% in April or May 2020, from arm's length sources, when compared to either the same months in 2019, or the monthly average of the revenues earned in January and February 2020 [special rules are provided, for this revenue qualification test, for corporate groups, (continued..)]

## Business tax (continued)

(..continued) affiliated groups, joint ventures, and non-arm's length entities; cash method accounting may also be used]. Unlike for the 10% temporary wage subsidy, eligible employers generally include all types of employers aside from public sector employers. The subsidy generally applies at a rate of 75% on the first \$58,700 of eligible remuneration paid to an eligible employee (i.e., generally an individual employed in Canada) from 15 March to 6 June 2020, providing a maximum benefit of \$847 per week per employee. The eligible remuneration includes salary, wages, and other remuneration (such as commissions), but not severance pay or items such as stock option benefits. In addition, eligible employers are also entitled to a 100% refund of the employer-paid EI, CPP, QPP and QPIP contributions that are made for eligible employees for each week throughout which those employees are on leave with pay (for the full week, without performing any work) and for which the employer is eligible to claim the 75% wage subsidy. No Canada emergency wage subsidy is available for remuneration paid to an employee that has been without remuneration for 14 or more consecutive days from 15 March to 11 April, 12 April to 9 May, or 10 May to 6 June 2020.

- ▶ **Transfer pricing documentation** -Requests for contemporaneous documentation made prior to 1 April 2020 that have a deadline of 18 March 2020 or later will be considered canceled and will be re-issued at a later date, providing the maximum amount of time of three months to submit the documentation.
- ▶ **FATCA and CRS: Extended information return filing deadline** - The filing of the information returns under Part XVIII and Part XIX of the Act, which are in respect of international exchanges of information on financial accounts (respectively under the Canada-U.S. Enhanced Tax Information Exchange Agreement and the Common Reporting Standards), is deferred until 1 September 2020. No interest or penalty will be assessed during this period. In addition, no penalty will apply for any failure to obtain a self-certification on financial accounts opened before 1 January 2021.

### Additional federal tax measures and information:

- ▶ **Objections and appeals:** For objections due on or after 18 March 2020, the deadline is extended until 30 June 2020. Any objections related to Canadian taxpayers' entitlement to benefits, credits, GST/HST refund claims, and SR&ED claims have been identified by the CRA as a critical service which will continue to be delivered during this time. With respect to objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance. No collection action will be taken with respect to these accounts at this time. The CPP/EI appeals program is currently only actioning appeals that are related to cases where EI benefits are pending. All other CPP/EI appeals will be actioned when normal services resume.
- ▶ **Appeals before the Tax Court of Canada:** The Tax Court of Canada has canceled all sittings and conference calls scheduled between 16 March 2020 and 29 May 2020 inclusively.
- ▶ **Federal Courts and Supreme Court of Canada activities:** A timeline extension is provided by the Federal Court while its activities are suspended until 29 May 2020. Although some are suspended, certain filing deadlines (e.g., re commencing an appeal from a Tax Court of Canada decision) continue to apply at the Federal Court of Appeal, unless a request for an extension of time is made. Deadlines that are imposed by the Rules of the Supreme Court of Canada, are suspended until further notice; however, deadlines that are imposed by statute (e.g., re. commencing an appeal from a Federal Court of Appeal decision) remain in force. Appeals are scheduled to begin being heard in June 2020 by the Supreme Court of Canada.

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

[Return to jurisdiction list](#)

## Overview

## Personal tax

- ▶ **Individuals: Climate action tax credit increase** – In July 2020, a one-time special payment will be made by British Columbia (BC) to individuals through an increase in the maximum amounts under its BC Climate Action Tax Credit. In addition, the income threshold amount (at which the credit is reduced to zero) is increased for the one-time special payment.

## VAT, GST and trade

- ▶ **Extended tax filing and payment deadlines** – Many deadlines are deferred until 30 September 2020, effective 23 March 2020. This includes the extension of filing and payment deadlines for PST, employer health tax, motor fuel tax, carbon tax, tobacco tax, and municipal and regional district tax.
- ▶ **Deferral of certain budget measures** – Measures announced in the 2020 BC budget (tabled on 18 February 2020) to expand PST registration requirements for Canadian sellers of goods, as well as for Canadian and foreign sellers of software and telecommunication services, and to impose PST on e-commerce transactions and on sweetened carbonated drinks, with effect from 1 July 2020, will be deferred. Similarly, the scheduled increase to the carbon tax, which was to take effect on 1 April 2020, will be deferred.
- ▶ **Reduction in school property tax for 2020** – School property tax mill rates for commercial properties (i.e., classes 4, 5, 6, 7, and 8) are reduced for the 2020 tax year to achieve an average 25% reduction in the total property tax bill for most businesses. This enhances the already announced 50% mill rate reduction in the business and light and major industry property classes (i.e., classes 4, 5, and 6).
- ▶ **School property tax deferral** – Late payment penalties for the payment of school property tax for commercial properties (i.e., classes 4, 5, 6, 7, and 8) are being postponed to 1 October 2020. In addition, municipalities can defer their remittance of the school property tax collected for the province until the end of the year.
- ▶ **Extended logging tax filing deadline** – For logging tax returns due between 18 March and 31 May 2020, the filing deadline is extended to 1 June 2020.

## Business tax

- ▶ **Extended income tax payment deadline** – Beginning 19 March 2020, corporate income tax balances and installment payments can be deferred to 31 August 2020 (it is unclear at this time whether this deadline be adjusted to 1 September 2020 to align with federal)
- ▶ **Tax audits and collections** – Modification of the provincial corporate income tax audit and collection practices.

## Links and resources

EY materials

- ▶ [EY Tax Alert 2020 Issue No. 22](#)

Government materials

- ▶ [BC news release - COVID-19 Action Plan](#)
- ▶ [BC COVID-19 Action Plan - Provincial Tax Changes](#)
- ▶ <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/climate-action/enhanced-july-2020-payment>
- ▶ [BC Gov News - New supports for businesses](#)
- ▶ [BC news item re. Logging Tax](#)

## Overview

## Personal tax

## VAT, GST and trade

- ▶ **Deferred payment of WCB premiums** - 2020 workers' compensation premiums deferred until 2021 for private sector employers. No interest charges will apply on these unpaid balances. Employers that already paid 2020 premiums entitled to rebate or credit.
- ▶ **Reduction of WCB premiums** - Waiver of 50% of the 2020 premiums for small and medium-sized private sector employers with \$10 million or less in insurable earnings for 2020.
- ▶ **Deferred payment of education property tax** - Six-month deferral of the education property tax for businesses.
- ▶ **Cancellation of increase to education property tax** - Cancellation of the 3.4% increase announced in the 2020 Alberta budget in the education property tax that was scheduled for 2020-21.
- ▶ **Waiver of IFTA credentials** - Waiver of international fuel tax agreement (IFTA) credential requirements for Alberta carriers until 30 June 2020.
- ▶ **Deferred payment of tourism levy** - Extension of the deadline for tourism levy remittances due between 27 March and 31 August 2020 to 31 August 2020, without any interest being imposed. Although the filing deadline of the tourism levy returns remains unchanged, Alberta won't impose late-filing penalties provided all the returns and respective remittances are received by the Tax and Revenue Administration before 1 September 2020.
- ▶ **Extended filing deadline: IFTA returns** - The filing due date for international fuel tax agreement (IFTA) quarterly tax return for the first calendar quarter of 2020 is extended to 30 June 2020, and no late-filing penalty will be assessed. The respective fuel tax remittance remains due on or before 30 April 2020.

## Business tax

- ▶ **Extended income tax payment deadline** - Beginning 19 March 2020, corporate income tax balances and installment payments can be deferred to 31 August 2020 (it is unclear at this time whether this deadline be adjusted to 1 September 2020 to align with federal)
- ▶ **Tax audits and collections** - Modification of the provincial corporate income tax audit and collection practices.

## Links and resources

### EY materials

- ▶ [EY Tax Alert 2020 Issue No. 17](#)

### Government materials

- ▶ [Alberta - COVID-19 support for employers and employees](#)
- ▶ [Alberta - Additional financial support for Albertans and employers](#)
- ▶ [Alberta - WCB Premium relief for employers](#)
- ▶ [Alberta - Education property tax](#)
- ▶ [IFTA Special Notice Vol. 10 No. 3](#)
- ▶ [Alberta CTA Special Notice Vol. 5 No. 56 \(re. Corporate Income Tax Payments\)](#)
- ▶ [Alberta - Tax relief for tourism industry](#)

| Overview | Personal tax | VAT, GST and trade  | Business tax   | Links and resources  |
|----------|--------------|---|--|--|
|          |              | <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><li>▶ <b>Reduction of the oil and gas administrative levy</b> - The industry portion of the oil and gas administrative levy is reduced by 50% this fiscal year, and the invoicing of the remaining balance is delayed until 1 October 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><li>▶ <a href="#">Saskatchewan news release - Oil industry support</a></li></ul> |

## Overview

## Personal tax

## VAT, GST and trade

## Business tax

## Links and resources

- ▶ **Extended tax filing and payment deadlines** - 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).
- ▶ **Deferral of WCB premiums and waiver of interest and penalties** - 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.

### Government materials

- ▶ [Manitoba News Release - Tax payment filing deadlines](#)
- ▶ [Manitoba Notice RST 20-03 \(re. RST deadlines\)](#)
- ▶ [Manitoba Notice HE 20-01 \(re. Health and Post Secondary Education Health Tax Levy\)](#)
- ▶ <https://news.gov.mb.ca/news/index.html?item=47380&posted=2020-04-03>
- ▶ [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)
- ▶ <https://www.wcb.mb.ca/how-the-wcb-is-responding-to-covid-19#employers>
- ▶ [Manitoba Bill 62](#)
- ▶ [Manitoba Finance - Notice RST 20-04](#)
- ▶ [Manitoba Finance - Notice Fuel 20-04](#)

| Overview | Personal tax | VAT, GST and trade   | Business tax   | Links and resources |
|----------|--------------|--|--|---------------------|
|          |              | <ul style="list-style-type: none"><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><li>▶ <b>Fuel tax exemption</b> - Suspension, for the duration of the 2020 public health emergency, of the requirements that a carrier who is not licensed under the International Fuel Tax Agreement must pay the fuel tax and obtain a single-trip permit upon entering Manitoba.</li><li>▶ <b>Extended filing deadline: IFTA returns</b> - The filing due date for international fuel tax agreement (IFTA) quarterly tax return for the first calendar quarter of 2020 is extended to 31 July 2020. In addition, as confirmed by Taxation Division of Manitoba Finance, the remittance due date for the respective fuel tax (for the first calendar quarter) is also extended to 31 July 2020.</li><li>▶ <b>Waiver of IFTA credentials</b> - Waiver of international fuel tax agreement (IFTA) credential requirements for Manitoba carriers until 31 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><li>▶ <b>Suspended audit activities</b> - Audit interactions with most Ontario businesses and representatives is suspended for the month of April 2020</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> <li>▶ <b>Remote Northern Taxpayers:</b> Deferral of Provincial Land Tax - Individuals and businesses in parts of Northern Ontario located outside of municipal borders (i.e., in unincorporated areas) may defer each of their 2020 quarterly provincial land tax installments by 90 days, without interest and penalties. The deferral applies to all levies collected through the consolidated provincial land tax bill, which includes the provincial land tax, the education property tax, and any local road board and local service board levies.</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 2020I</a></li> <li>▶ <a href="#">Ontario - Interest and Penalty Relief for Businesses Tax Bulletin</a></li> <li>▶ <a href="#">Ontario Finance - EHT Exemption Increase for 2020 Tax Bulletin</a></li> <li>▶ <a href="#">Ontario news release - Relief for remote northern property taxpayers</a></li> <li>▶ <a href="#">Ontario March economic update - Relief measures</a></li> </ul> |

| Overview | Personal tax  | VAT, GST and trade  | Business tax   | Links and resources  |
|----------|---|---|--|--|
|          | <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 (also applicable to the 2019 income tax return of a person who died in 2019 before 1 December 2019).</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. . Where tax preparers or individuals are unable to accept or provide electronic signatures, the tax preparer can still file the return online and the individual can sign Form TP-1000.TE-V later, provided consent is first obtained by the tax preparer; tax preparers can replace Form TP-1000.TE-V by sending an email containing specific tax information about the client. Revenu Québec is also accepting electronic signatures on authorization form MR-69-V, Authorization to Communicate Information or Power of Attorney, until 1 September 2020.</li></ul> | <ul style="list-style-type: none"><li>▶ <b>QST remittances</b> - QST remittances that are due between 27 March and 1 June 2020 may be deferred until 30 June 2020, without interest or penalties. To harmonize the QST system with the GST/HST system, the filing deadline for QST returns remains unchanged; however, no late-filing penalties will be charged for returns filed no later than 30 June 2020. For returns 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) (French only)</a></li><li>▶ <a href="#">Quebec updated measures (27 March) (French only)</a></li><li>▶ <a href="#">Revenu Quebec - COVID-19: Frequently Asked Questions</a></li><li>▶ <a href="#">Revenu Quebec - COVID-19 Relief measures for individuals and businesses</a></li><li>▶ <a href="#">CNESST - COVID-19 flexibility measures</a></li><li>▶ <a href="#">Quebec Information Bulletin 2020-6 (Lodging Tax)</a></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:                             <ul style="list-style-type: none"> <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> </ul> </li> <li>▶ <b>Deferral of 15 June 2020 installment payments</b> - For individuals and trusts (other than SIFT trusts), suspension of any tax installment 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> | <ul style="list-style-type: none"> <li>▶ (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.</li> <li>▶ <b>Deferral of CNESST premiums and filing</b> - As of 20 March 2020, employers have until 31 August 2020 to pay the amount indicated on their <i>Statement of Account</i> for their CNESST premiums. No penalties or interest will apply. In addition, employers have until 1 June 2020 to file their 2019 <i>Statement of Wages</i>.</li> <li>▶ <b>Lodging tax</b> - The deadline for reporting and remitting the tax on lodging that would otherwise have had to be reported no later than 30 April 2020 is extended to 31 July 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ <b>Corporate installment payments</b> - Suspension of monthly and quarterly tax installment 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. Revenu Québec is also accepting electronic signatures on authorization form.</li> </ul> |                     |

## Overview

## Personal tax

- ▶ **Individuals and Trusts: Deferral of administrative tax actions** - Deferral to 1 June 2020 of all administrative tax actions (other than tax return filings already deferred to a specific date, payments of taxes and contributions, and source deductions) that are due after 16 March 2020 and before 1 June 2020. This includes the filing of information returns, forms, elections, designations, mandatory or preventive disclosures of tax planning, and responses to information requests.
- ▶ **Individuals: RRIF withdrawals** - In line with the federal measure, the required minimum withdrawals from RRIFs will be reduced by 25% for 2020.
- ▶ **Individuals: Seniors' home-support services tax credit** - A four-month extension of the deadlines for renewing the advanced payments of the tax credit for home-support services for seniors, provided the deadline falls between 17 March to 1 June 2020. Current advanced payments will be maintained until the renewal (unless Revenu Québec is aware that the senior is no longer eligible).

## VAT, GST and trade

## Business tax

- ▶ **MR-69-V, Authorization to Communicate Information or Power of Attorney, as well as related forms MR-69.E-V and MR-69.RP, until 1 September 2020.** Employers will also be allowed, during the health crisis, to complete and sign form TP-64.3-V, General Employment Conditions, electronically and e-mail a copy to the employees.
- ▶ **SIFT trusts and SIFT partnerships: 2019 tax return filing-due date** - Postponement of 2019 tax return filings due after 16 March 2020 to 1 May 2020.
- ▶ **SIFT Trusts and SIFT partnerships: Tax balance-due day** - Postponement of any tax balance-due day falling between 17 March 2020 and 31 August 2020 to 1 September 2020.
- ▶ **SIFT Trusts and SIFT partnerships: installment payments** - Suspension of monthly tax installment payments due between 17 March 2020 and 31 August 2020 until 1 September 2020.
- ▶ **Other Partnerships: Partnership information return** - Postponement of the filing due date for 2019 partnership information returns (TP-600-V) due after 16 March 2020 (and before 1 May 2020) to 1 May 2020.
- ▶ **Charities: Extended filing deadline** - For all charities with a Form TP-985.22-V, Information Return for Registered Charities and Other Donees, due between 17 March 2020 and 31 December 2020, the filing deadline is extended to 31 December 2020.

## Links and resources

| Overview | Personal tax   | VAT, GST and trade | Business tax  | Links and resources |
|----------|--|--------------------|---|---------------------|
|          | <ul style="list-style-type: none"> <li>▶ <b>Taxable benefits</b> - Revenu Québec does not consider, given the exceptional circumstances caused by COVID-19, the total or partial reimbursement of up to \$500 for equipment that an employee purchased for teleworking as a taxable benefit for the employee.</li> </ul> |                    | <ul style="list-style-type: none"> <li>▶ <b>Non-profit corporations: Extended filing deadline</b> - For all non-profit corporations with a Form CO-17.SP, <i>Déclaration de revenus et de renseignements des sociétés sans but lucratif</i>, and a Form TP-997.1-V, <i>Information Return for Tax-Exempt Entities</i>, due between 17 March 2020 and 31 May 2020, the filing deadline is extended to 1 June 2020.</li> <li>▶ <b>Mining taxes</b> - Postponement of the payment of mining taxes (including installments) to 1 September 2020. The deadline for filing the Mining Tax Return (IM-30-V) has been extended to 1 June 2020, for operators that were required to file the return between 17 March 2020 and 31 May 2020 - this measure also applies to operators that file forms IM-30.MX-V and IM-30.DL-V (instead of form IM-30-V).</li> <li>▶ <b>Logging operations tax</b> - Postponement of the payment of the tax on logging operations (including installments) to 1 September 2020.</li> <li>▶ <b>Quebec health services fund</b> - To complement the federal implementation of the Canada emergency wage subsidy and, in particular, the 100% refund of certain payroll contributions, Quebec announced on 30 April 2020, in Information Bulletin 2020-7, that it will grant employers entitled to the Canada emergency wage subsidy a credit on contributions to the Health Services Fund for employees on paid leave. Employers will also have to maintain an establishment in Quebec. The credit will be granted for the same 12-week period applicable to the Canada emergency wage subsidy, retroactive to 15 March 2020.</li> </ul> |                     |

**Additional Quebec tax measures and information:**

- ▶ **Collections activities:** Revenu Québec has announced that collections activities on new debts will be suspended until further notice, and greater flexibility will be shown with respect to payment arrangements for tax debts. Subject to certain exceptions, Revenu Québec has granted a release of garnishments on current bank accounts for tax debts, including the bank accounts of corporations, and has stopped sending employers income seizure by garnishment notices and formal requests to pay regarding tax debts (seizure by garnishment notices for tax debts have also stopped being issued to financial institutions). Recovery measures have also been suspended, and the usual duration of tax-debt payment arrangements have been extended.
- ▶ **Audit activities** - Revenu Québec has suspended its audit activities (except in situations where there is a risk of fraud). No contact will be initiated with taxpayers until it is necessary to process a refund.
- ▶ **Objections:** For objections due on or after 13 March 2020 up to 29 June 2020, the deadline is extended until 30 June 2020.
- ▶ **Appeals before the Quebec Court:** On 26 March 2020, the Quebec Court announced that its Civil Division has suspended all proceedings in its Regular Division and its Small Claims Division, until 31 May 2020. A ministerial order (M.O. 2020-4251) has also been issued on 15 March 2020 for the suspension of prescription and procedural periods until the expiry of the public health emergency declared in the province on 13 March 2020.

| Overview | Personal tax | VAT, GST and trade  | Business tax | Links and resources   |
|----------|--------------|---|--------------|---|
|          |              | <ul style="list-style-type: none"><li>▶ <b>WorkSafeNB premiums</b> - Deferral of WorkSafeNB assessment premiums related to payroll for February, March and April until June 2020 without interest charges.</li><li>▶ <b>Property tax</b> - The deadline to request a property assessment review has been extended by 30 days, until 1 May 2020. Although business property taxes must be paid by 31 May 2020, late penalties will be reviewed on a case-by-case basis to see if the penalty can be waived due to undue financial challenges, such as having to close a business due to COVID-19.</li><li>▶ <b>Gasoline, motive fuel, and carbon emitting product taxes</b> - Contrary to what was previously instructed, retailers are no longer required to file a Tax Remittance Form (GMF-02) by 30 April 2020, nor remit the difference between New Brunswick's new carbon emitting product tax due and the reduction in the gasoline and motive fuel taxes on the inventory they held at 12h01 a.m. on 1 April 2020. For retailers that have not filed Form GMF-02, they may instead apply for the refund of the tax difference between the reduction in the gasoline and motive fuel taxes and the carbon emitting products incremental tax increase (i.e., from the federal backstop carbon tax to New Brunswick's carbon emitting product tax) on that inventory, by completing Form GMF-03, <i>Gasoline, Motive Fuel and Carbon Emitting Products Retailer Tax Refund: Inventory Report</i>, by 15 May 2020.</li></ul> |              | <p>EY materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">EY Tax Alert 2020 Issue No. 19 - Economic assistance available in Atlantic provinces</a></li></ul> <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">WorkSafeNB - Deferral of premium payments</a></li><li>▶ <a href="#">New Brunswick - COVID-19 Guidance for Businesses</a></li><li>▶ <a href="#">New Brunswick - Notice to all Gasoline, Motive Fuel and Carbon Emitting Product Retailers: Refund</a></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

- ▶ **Property tax relief** - 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.
- ▶ **Deferral of WCB premiums** - Workers' compensation board (WCB) premiums normally paid in March, April and May are deferred until 30 June 2020. No interest and penalties will apply during the deferral period.

### Government materials

- ▶ <https://www.princeedwardisland.ca/en/news/province-provides-covid-19-economic-update-confirms-property-tax-relief>
- ▶ [PEI WCB - Assessment deferral](#)
- ▶ [Prince Edward Island - Royal Gazette Issue 15 - April 11, 2020](#)

| Overview | Personal tax | VAT, GST and trade   | Business tax   | Links and resources  |
|----------|--------------|--|--|--|
|          |              | <ul style="list-style-type: none"><li>▶ Extended filing and payment deadlines - Deferral to 23 June 2020 of the filing and payment deadlines of all tax returns that would otherwise be due between 20 March to 31 May 2020, for all the provincially administered taxes under the Revenue Administration Act, including: gasoline tax, carbon tax, health and post-secondary education tax, insurance companies tax, mining and mineral rights tax, tax on insurance premiums, and tobacco tax. The filing and payment deadline for international fuel tax agreement returns due on 30 April 2020 is deferred to 1 June 2020. Remission of penalties and interest may be obtained upon request. In addition, as confirmed by the Tax Administration Division of the province's Department of Finance, no penalties and interest will be imposed during the deferral period that goes up to 23 June 2020 as long as the relevant returns and related payments are filed by that date.</li><li>▶ Fuel tax - The 31 March 2020 expiry date for fuel tax exemption permits, which allows permit holders to purchase tax-exempt marked gasoline and light fuel oil, is extended to 30 June 2020.</li><li>▶ Deferral of WorkplaceNL premiums - WorkplaceNL premiums are deferred until 30 June 2020. No interest and penalties will apply during the deferral period.</li></ul> | <ul style="list-style-type: none"><li>▶ <b>Wage compensation</b> - To complement the federal temporary wage subsidy and the Canada emergency wage subsidy, the province will compensate private sector employers for each employee (to continuation of pay to employees who were required to self-isolate for 14-days due to the COVID-19 travel restrictions. The maximum amount of funding under the provincial program will be \$500/week for a combined maximum of \$1,000/week for each employee where both federal and provincial funding is received). This provincial funding will also be available to individuals who are self-employed.</li></ul> | <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">Newfoundland news release - fuel tax</a></li><li>▶ <a href="#">WorkplaceNL - premium deferral</a></li><li>▶ <a href="#">NL Finance news release - Changes made to tax return filing deadlines and remission of interest and penalties/</a></li><li>▶ <a href="#">NL News Release - Compensation for Private Sector Employers</a></li></ul> |

| Overview | Personal tax | VAT, GST and trade   | Business tax | Links and resources   |
|----------|--------------|--|--------------|---|
|          |              | <ul style="list-style-type: none"><li>▶ <b>Interest relief</b> - Interest charges on all late-filed tax returns between 15 March 2020 and 30 June 2020 is waived.</li><li>▶ <b>Deferral of workers' compensation premiums</b> - Effective 1 April 2020, the Workers' Safety and Compensation Commission has suspended late payment interest charges and extended the assessment payment deadline to 1 August 2020. The deferral means that employers can move to two equal installments in August and October 2020. Employers are also encouraged to submit a revised payroll estimate for 2020.</li></ul> |              | <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">NWT - Backgrounder Wave 2 - Economic Relief Measures Details</a></li><li>▶ <a href="#">WSCC - Financial relief measures for 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 workers' compensation premiums</b> - Effective 1 April 2020, the Workers' Safety and Compensation Commission has suspended late payment interest charges and extended the assessment payment deadline to 1 August 2020. The deferral means that employers can move to two equal installments in August and October 2020. Employers are also encouraged to submit a revised payroll estimate for 2020.</li></ul> |              | <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">WSCC - Financial relief measures for 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 workers' compensation premiums</b> - Workers' compensation health and safety board premiums may be deferred without interest and penalty charges to a date that is appropriate for an employer's business. In addition, businesses experiencing serious adverse financial impacts from COVID-19 may revise their annual payroll estimates (which may result in lower payments, revised payment schedules or a refund of 2020 assessment premiums)</li><li>▶ <b>Deferred payment of property tax</b> - Extension of the deadline for 2020 property tax payments to 2 September 2020 for citizens and businesses, without penalty (also applicable to any local improvement charges that property owners are repaying).</li></ul> |              | <p>Government materials</p> <ul style="list-style-type: none"><li>▶ <a href="#">Yukon WCHSB - COVID-19 Relief for businesses</a></li><li>▶ <a href="#">Yukon News Release re. Property Tax Payment Deadline</a></li></ul> |

## Overview

- ▶ Banks are implementing measures to provide financial relief to their 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 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.
- ▶ Additional emergency stipends to be paid to those who receive permanent financial assistance to allow them to better prepare with provisions and medical expenses.
- ▶ 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.

## Personal tax

## VAT, GST and trade

## Business Tax

## Other measures

- ▶ Regarding the Foreign Account Tax Compliance Act (FATCA), as a result of the United States' Internal Revenue Service (IRS) providing an extension for Model 1 IGA jurisdictions to provide their 2019 FATCA data to the United States, the Cayman Islands Department of International Tax Cooperation (DITC) has extended the deadline for the 2019 reporting period to 16 November 2020.
- ▶ Regarding Common Reporting Standards (CRS), the DITC announced on 2 March 2020 that the reporting deadline for the 2019 reporting period is extended to 16 November 2020 due to development of the new DITC portal. Further, the DITC issued an Industry Advisory dated 15 April 2020, which includes the release of a new CRS Compliance Form, which will be required to be submitted by all Reporting Financial Institutions and Trustee Documented Trusts. For the 2019 reporting period, the deadline for submission is 31 December 2020.
- ▶ Regarding Country-by-Country Reporting (CbCR), the 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.
- ▶ Regarding Economic Substance, the Registrar of Companies (ROC) and the Department for International Tax Cooperation (DITC) have extended the deadlines for entities to complete their Annual Returns and Economic Substance Notification (ESN) filings until 30 June 2020. The ESN will remain a prerequisite for companies filing an Annual Return.
- ▶ Regarding Company filings, 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. Exempted liability partnerships (ELPs) will also have their annual fees and annual return filings deadline extended until 30 June.
- ▶ 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. Additional list of filing extensions provided by the Cayman Islands Monetary Authority (CIMA), included in the links and resource section.

## Links and resources

### Government materials

- ▶ <https://www.mfs.ky/news/>
- ▶ [https://www.cima.ky/uploads/images/commonfiles/ListofFilingExtensions\\_1585070451.pdf](https://www.cima.ky/uploads/images/commonfiles/ListofFilingExtensions_1585070451.pdf)
- ▶ <https://www.explore.gov.ky/coronavirus>

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 23 April 2020 the Chad Government introduced economic measures in response to the COVID-19 pandemic.

## Personal tax

- ▶ Suspension of external tax audits (spot checks and general account audits) for a period of three months as from April 2020. This suspension does not concern tax audits in the process of being finalized, notably those that have been subject to drafts exchange or for which the notifications of adjustments, of confirmation of adjustments or of issuance of the Collection Notice (AMR) are in the sending cycle.

## VAT, GST and trade

- ▶ Suspension of external tax audits for a period of three months from April 2020. This suspension also applies to customs audits, but does not concern tax audits in the process of being finalized, notably those that have been subject to drafts exchange or for which the notifications of adjustments, of confirmation of adjustments or of issuance of the AMR are in the sending cycle.
- ▶ Exemption from customs duties and taxes on imports of basic foodstuffs until the end of FY 2020.
- ▶ Exemption from customs taxes and duties on imports of medical consumables and equipment used in the fight against the COVID-19 pandemic. The list of exempted medical products and equipment will be proposed and agreed jointly by the WHO and the WCO.
- ▶ Facilitation and acceleration of the procedure for the clearance of medical consumables and equipment used in the fight against the COVID-19 pandemic will be granted to economic operators registered and recognized by the tax and customs authorities and to recognized partners of the Ministry of Public Health.
- ▶ Temporary admission could be granted to organizations engaged in the fight against the COVID-19 pandemic, with regards to the equipment used by them or under their guidance in rescue operations.
- ▶ Exemption of importers of food and health products from declarations and prior authorizations by referral to local banks and economic operators through their umbrella organizations.

## Business tax

- ▶ A 50% reduction of business license tax and synthetic tax for FY 2020. Taxpayers who have paid their taxes before this measure shall benefit from a tax credit of 50% of the amount paid, to be deducted from future payment of taxes, including those for FY 2021, with the exception of taxes for which the taxpayer is only the collector.
- ▶ Suspension of external tax audits for a period of three months as from April 2020. This suspension does not concern tax audits in the process of being finalized, notably those that have been subject to drafts exchange or for which the notifications of adjustments, of confirmation of adjustments or of issuance of the AMR are in the sending cycle.
- ▶ More lenient attitude toward requests made by taxpayers whose activities are affected by the preventative measure against the COVID-19 pandemic.

## Links and resources

### Government materials

- ▶ [www.finances.gouv.td](http://www.finances.gouv.td)

CIRCULAR  
N°004/PR/MFB/2020  
On the implementation of social and economic measures relating to the fight against COVID-19

| Overview  | Personal tax | VAT, GST and trade  | Business tax   | Other measures   | Links and resources  |
|---|--------------|---|--|--|--|
| <ul style="list-style-type: none"> <li>▶ Government filed an incentive economic package, mainly focused on providing funds and supporting small/medium business for an amount of US\$11,750 Million, equivalent to 4.7% of Chilean GDP. Expected benefits will be sanitary systems, family revenues and employment protections.</li> <li>▶ 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.</li> <li>▶ Work from home bill has been approved by Congress.</li> <li>▶ More flexible mechanisms to carry out shareholder and board of director meetings remotely.</li> <li>▶ New labor legislation enacted easing access to unemployment insurance and allowing employers to agree a reduction in the weekly hours and remuneration.</li> </ul> |              | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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\$170,000.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Several sworn statements are postponed to March end - beginning of April.</li> </ul> <p><i>Small/medium-sized companies</i></p> <ul style="list-style-type: none"> <li>▶ Deferral of annual income tax return until July 2020;</li> <li>▶ Relieve measures for tax debt aiming to incentive payments agreements (e.g. waiver of penalties and interests)</li> <li>▶ Advance income tax return in April 2020.</li> </ul> <p><i>All size companies</i></p> <ul style="list-style-type: none"> <li>▶ Monthly advance payments (in advance of Corporate Tax) are suspended for the next three months</li> <li>▶ Exemption of Stamp tax (applicable to credit cash operations) for operations carried out between April - September 2020.</li> <li>▶ Deductibility of all COVID-19 related expenses incurred by Chilean companies</li> </ul> | <ul style="list-style-type: none"> <li>▶ Elimination of stamp tax for credit loans granted within the upcoming six months</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="http://www.sii.cl/servicios_online/index.html">http://www.sii.cl/servicios_online/index.html</a></li> </ul> |

## Overview

- ▶ Multiple Injection of capital totaling more than 1.7 trillion yuan (approx. US\$242 billion), by the People's Bank of China (PBOC) via reverse repos through open market operations.
- ▶ 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.
- ▶ Issuance of two series of local government special bonds, in the amount of CNY1.29 Trillion (approx. US\$183.18 billion) in early 2020 and the additional CNY1 Trillion (approx. US\$142 billion) in May.
- ▶ Allowance of deferral of principal/interest payments (mainly applicable to micro and SMEs).
- ▶ 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.
- ▶ According to certain previously issued national rules, financial subsidies have been provided to certain industries significantly affected by the epidemic such as airlines, as well as to designated personnel, e.g., the COVID-19 patients, medical personnel and other related personnel.
- ▶ 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.
- ▶ Reduction of the prohibited commodities for processing trade.
- ▶ Waiver of three-month's rents for the first half of 2020 for small and micro-sized enterprises or self-employed small businesses engaged in service industry which lease state-owned properties. Further, State-owned banks or financial institutions are encouraged to offer financial support to these businesses to pay their rents (e.g., offer loans with preferential interest rates).
- ▶ Measures have been released to attract and retain FDI, key highlights include:
  - ▶ National level
    - ▶ Relaxed the negative list for foreign investment and entry requirements for financial services.
    - ▶ Expanded the scope of encouraged industries.
    - ▶ Streamlined the administration for foreign inbound investment.
    - ▶ Removed the security investment quota restrictions set for Qualified Foreign Institutional Investors (QFIIs) and RMB Qualified Foreign Institutional Investors (RQFIIs), and simplified the procedures for their outbound remittances.
  - ▶ Shanghai city level
    - ▶ Accelerated the opening up industries, in particular the financial services and new energy vehicle sectors.
    - ▶ Enlarged coverage of Shanghai FTZs and Lingang, e.g., telecommunications, scientific research and technical services, education and health.
    - ▶ District level financial "rewards" is available for certain key foreign invested projects and design incentives to attract talents.
    - ▶ Relaxed foreign exchange related transaction process.
    - ▶ Involved businesses in the policy-making processes.
    - ▶ Streamlined work permit application process for foreigners.
    - ▶ Strengthened the legal protection of intellectual property.
    - ▶ Provided for loan interest subsidies for key industries (including High-and-New Technology Enterprises and shipping industries) in the Shanghai Lin-gang Special Area.
    - ▶ Enterprises engaged in key industries in the Shanghai Lin-gang Special Area (e.g., integrated circuit, artificial intelligence, biological medicine, civil aviation) will be entitled to a reduced CIT rate of 15%.

## 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.
- ▶ **Deferral IIT payments:** allow self-employed industrial and commercial households to defer the payments of IIT until further notice.

## VAT, GST and trade

### Exemption/reduction

- ▶ Exempt VAT on revenue in providing prescribed services (i.e., transportation of key supplies under the epidemic, public transportation services, lifestyle services) from 1 January 2020. The expiration date of this exemption will be extended (details to be further 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 December 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 epidemic 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

- ▶ Deferral of VAT payment: Subject to individual application and case-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 entitled to 10% deduction (CIT rate is at 25%).
  - ▶ 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:** Small-sized enterprises with meager profits will be allowed to defer their CIT payments (details to be announced).
- ▶ **Deferral Housing Fund payment:** Contribution by employers (for Feb to Jun) may be deferred to 30 June 2020.
- ▶ **Property tax reduction:** 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). Landlords who offer rent relief to small businesses may be entitled to Real Estate Tax (RET) and ULUT reduction/exemption.
- ▶ 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.
- ▶ **Western Regions:** China extends the validity of 15% CIT rate for qualified enterprises engaged in encouraged industries in the Western Regions to the end of 2030. The criteria has also be lowered.

## Links and resources

### Government materials

- ▶ [http://www.gov.cn/xinwen/2020-03/30/content\\_5497129.htm](http://www.gov.cn/xinwen/2020-03/30/content_5497129.htm)
- ▶ <http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/3966122/index.html>
- ▶ <http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/3989112/index.html>
- ▶ <http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5143465/content.html>
- ▶ <http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5143464/content.html>
- ▶ <http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5143466/content.html>
- ▶ [http://szs.mof.gov.cn/zhengcefabu/202002/t20200228\\_3475718.htm](http://szs.mof.gov.cn/zhengcefabu/202002/t20200228_3475718.htm)
- ▶ <http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5145504/content.html>
- ▶ <http://www.hb-n-tax.gov.cn/hbsw/xwdt/ttxw/173418.htm>
- ▶ <http://www.chinatax.gov.cn/chinatax/n810346/n810825/c101434/c5143585/content.html>
- ▶ <http://www.miit.gov.cn/n973401/n7647394/n7647399/c7830236/content.html>
- ▶ [http://www.ctaxnews.com.cn/2020-03/31/content\\_963151.html](http://www.ctaxnews.com.cn/2020-03/31/content_963151.html)
- ▶ <http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/4002587/index.html>
- ▶ <http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/4002590/index.html>
- ▶ <http://www.gov.cn/guowuyuan/cwhy/20200407c13/index.htm>

## Overview

- ▶ As a result of the emergency caused by the outbreak of COVID-19 in Colombia, the Government has issued a number of tax measures to ease the burden on taxpayers during this crisis.
- ▶ The Colombian tax authorities have suspended all tax, customs or foreign exchange procedures and actions. Personnel of companies located in free trade zones (FTZs) are allowed to work outside the FTZ area
- ▶ Tax refunds are being fast tracked
- ▶ Exemption debit tax cash transfers made by Non-Profit Organizations

## Personal tax

- ▶ On 25 March 2020, the Colombian Tax Authorities issued a resolution in which postponed the due dates for the submission of magnetic media reports for FY 2019 from 1 June to 1 July 2020 depending on the last two digits of the taxpayer's identification number (before the changes were introduced, the due dates were from 13 May to 10 June 2020 depending on the last two digits of the taxpayer's identification number).
- ▶ On 15 April 2020, the Colombian Government issued Legislative Decree 568, introducing a new "solidarity tax" that, applicable from 1 May 2020 to 31 July 2020. The solidarity tax is applicable to public officers and individuals contracted by the Colombian Government (at the Central and local level) and public entities as well as retired employees with a monthly salary, remuneration or pension that is higher than COP 10 million (approx. US\$2,500), at a progressive rate from 15% to 20%. The Solidarity tax will be collected via withholding tax.

## VAT, GST and trade

- ▶ Customs duties are reduced to 0% on 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 Government established a 0% VAT rate for 211 goods, including medical equipment, soap, antibacterial gel, laundry detergent, some cleaners, special masks, gloves for surgery, nebulizers, vital sign monitors, portable x-ray machines and hospital beds. The 0% VAT rate will apply during the time the sanitary emergency is in place. Taxpayers must meet certain requirements for the 0% rate to apply.
- ▶ A VAT exclusion applies to the commissions on the guarantees granted by the Agrarian Guarantees Fund. The VAT exclusion will apply until 31 December 2021, provided certain requirements are met.
- ▶ A 5% VAT rate (the general VAT rate is 19%) will apply to Colombian aviation gasoline Jet A1 and/or 100/130, as well as passenger air travel services. This reduced VAT rate will apply until 31 December 2021.
- ▶ Mobile voice and internet plans with a monthly cost of lower than approximately US\$18 will be exempt from VAT for four months as from 13 April 2020.
- ▶ The in-kind donation of goods for human and animal consumption, clothing, personal care goods, medicines, medical devices, and construction materials used to respond to the sanitary emergency will not be deemed as a "sale" for VAT purposes (therefore, those donations will not be subject to VAT). This treatment will not apply if the donation/gift is concluded, directly or indirectly, between related parties. This treatment will apply during the time in which the state of emergency is declared.
- ▶ On 15 April 2020, the Colombian Government issued Decree 560 by means of which entities that entered into a reorganization or execute a reorganization plan (similar to the US chapter 11 process) will be subject to VAT withholding at 50% of the usual rate (e.g., if the general 19% VAT rate applies, the withholding tax to be applied will be 9.5%) until 31 December 2020.
- ▶ For companies engaged in hotel services, passenger air travel services, theatrical activities and live showbusiness activities, VAT payment due for the March - April 2020 period (or for the January - April period, if they file a VAT return every four months) is 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 VAT and national excise tax for the March - April period (or for the January - April period if they pay the VAT every four months) is 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

- ▶ On 6 April 2020, the Colombian Government extended due dates for the filing of income tax returns and the payment of income tax for a second time. The Government also changed the amounts to be paid in each installment. Considering these additional changes, the due dates for filing the income tax return and paying the tax are as follows:

### Large taxpayers:

- ▶ **Tax return filing:** The due dates are from 9 to 24 June 2020, depending on the last digit of the taxpayer's identification number (pre-COVID-19: due dates were from 14 to 27 April 2020).
- ▶ **First installment payment:** The due dates are from 11 to 23 February 2020, depending on the last digit of the taxpayer's identification number (not impacted by COVID-19). The amount to be paid should be at least 20% of the amount due in the 2018 income tax return.
- ▶ **Second installment Payment:** The due dates are from 21 April to 5 May 2020 depending on the last digit of the taxpayer's identification number (pre-COVID-19 due dates were from 14 to 27 April 2020). The amount of the second installment should be equivalent to 45% of the amount due in the 2018 income tax return.
- ▶ **Third installment payments:** The due dates are from 9 to 24 June 2020, depending on the last digit of the taxpayer's identification number (no change from pre-COVID-19). The amount of the third installment would be the balance of the amount due in the 2019 income tax return minus the amounts paid in the first and second installments.
- ▶ For a large taxpayer that already filed the 2019 income tax return when the second installment is due, the taxpayer should subtract, from the payment due, the amount paid in the first installment, and the balance should be split in half with one half paid in the second installment and the other half in the third installment.
- ▶ 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 and 27 April 2020.

### Standard Legal entities:

- ▶ **Tax return filing:** The due dates are from 1 June to 1 July 2020, depending on the last two digits of the taxpayer's identification number (pre-COVID-19, due dates were from 14 April to 12 May 2020).
- ▶ **First installment payment:** The due dates are from 21 April to 19 May 2020 (pre-COVID-19 due dates were from 14 April to 10 May 2020), depending on the last two digits of the taxpayer's identification number. The amount of the first installment should be equivalent to 50% of the total amount due in the 2018 income tax return.
- ▶ **Second installment payment:** The due dates are from 1 June to 1 July 2020 depending on the last two digits of the taxpayer's identification number (pre-COVID-19 due dates were from 9 to 24 June 2020). The amount to be paid as second installment should be the balance of the amount due in the 2019 income tax return minus the amount paid in the first installment.
- ▶ For standard legal entities that already filed the 2019 income tax return when the first installment is due, the amount determined in the 2019 income tax return should be divided in half and paid in the first and second installments.

**Business tax (continued)**

- ▶ In addition, for companies engaged in hotel services, passenger air travel services, theatrical activities, and live showbusiness 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 tax return for assets held abroad were postponed as follows:
  - ▶ Large taxpayers: From 9 to 24 June 2020, depending on the last digit of the taxpayer's identification ID (before the changes introduced, the due dates were from 21 April to 5 May 2020).
  - ▶ Standard taxpayers: From 1 June to 1 July 2020, depending on the last two digits of the taxpayer's identification ID (before the changes were introduced, the due dates were from 21 April to 19 May 2020).
- ▶ On 25 March 2020 the Colombian Tax Authorities issued a resolution in which postponed the due dates for the submission of magnetic media reports for FY 2019 as follows:
  - ▶ Large taxpayers: From 15 May to 21 May 2020 depending on the last digit of the taxpayer's identification ID (before the changes were introduced, the due dates were from 28 April to 12 May 2020 depending on the last digit of the taxpayer's identification number).
  - ▶ Standard taxpayers: From 1 June to 1 July 2020 depending on the last two digits of the taxpayer's identification ID (before the changes were introduced, the due dates were from 13 May to 10 June 2020, depending on the last two digits of the taxpayer's identification number)
- ▶ 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)
- ▶ Generally, taxpayers must invest at least 30 million tax units (approx. US \$267 million) to apply for the mega investment regime. The Government, by means of Legislative Decree 575 of 15 April 2020, reduced the investment amount allowing income taxpayers that invest more than 2 million tax units (approx. US \$18 million) in Colombian air transportation to qualify for the benefits of the mega investment regime (e.g., a reduced income tax rate of generally 27% (the ordinary income tax rate is 32%), a two-year depreciation period, no 10% dividend tax).  
To apply to the benefits provided by the mega investment regime, the investments should be made before 31 December 2021. The taxpayers also will have to satisfy other requirements applicable to the regime.
- ▶ Entities that enter into a reorganization or execute a reorganization plan (similar to a Chapter 11 process) will not be subject to income tax withholding or self-withholding through 31 December 2020.

## Business tax (continued)

- ▶ In addition, those entities should not make income tax advance payments or determine their income under the presumptive system for tax year 2020.
- ▶ Generally, the pension contribution rate is 16% (12% paid by the employer, 4% paid by the employee). On 15 April 2020, Colombian Government issued Legislative Decree No. 558 by means of which it is established a pension contribution at a 3% rate applicable for April and May (which must be paid in May and June 2020). This 3% pension contribution would be paid as follows: 2.25% would be paid by the employer and 0.75% would be paid by the employee. Independent contractors would pay the total amount of the pension contribution (i.e., 3%).
- ▶ On 15 April 2020 the Colombian Government issued legislative Decree 562 by means of which Colombian Government established a mandatory temporary investment on Government securities (called solidarity securities) for financial institutions. These Government securities will have a term of one year (which could be extended until 2029).
  - ▶ The amount of the investment should be up to 3% of demand deposits subject to the bank reserve, after subtracting the bank reserve, and up to 1% of the term deposits subject to the bank reserve. The amount of the investment should be determined based on the information reported in the financial statements as of 31 March 2020.
  - ▶ The financial institutions are required to make the mandatory investment in the securities within 90 days of 15 April 2020.
  - ▶ Colombian Authorities have 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),
- ▶ The Government established a fast-track procedure for income tax and VAT refunds and offsets (i.e., tax receivable against a tax payable). Under this procedure, to the extent the taxpayer is not categorized as "high risk," the refund or set off should be granted within 15 business days following the date the request is submitted (ordinarily, the procedure takes 50 days). The tax authorities, however, may suspend the refund procedure for 90 days.
- ▶ The request does not have to include the detailed description of the costs, expenses and deductions (which is usually required). However, this request should be submitted within 30 days of the date on which the sanitary emergency is lifted (currently, the sanitary emergency will be in place until 30 May 2020 but may be extended if required). Tax audits for these refunds will be performed once the sanitary emergency is lifted.
- ▶ On 15 April 2020, the Colombian Government issued Legislative Decree 530 by means of which A debit tax exemption will apply to withdrawals made by Non-profit Organizations from their Colombian Bank accounts. The exemption will apply until the state of emergency is lifted. The non-profit organizations also must meet other requirements to qualify for the exemption.
- ▶ The tax authorities suspended all tax, customs or foreign exchange procedures or actions that are carried out before them until the state of emergency is lifted. The suspension does not apply to: i) compliance with filing tax returns and making tax payments; ii) refund requests made through the tax authorities' electronic system; iii) requests submitted through the tax authorities' electronic channels; iv) payment agreements requested through the tax authorities' electronic channels; v) procedures related to cash deposits ordered by a judge; and vi) requests to lift liens on assets through the tax authorities' electronic channels.

## Links and resources

### EY Materials

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

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

[Return to jurisdiction list](#)

## Overview

- ▶ Costa Rica has 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
- ▶ Defer payment of the VAT, advance payments of income tax, consumption tax and imports tax for April, May and June
- ▶ A control will be applied over the exportations of certain medical products. An export license will be required in some cases.

## Business tax

- ▶ Elimination of the advance payment of Corporate Income Tax for June 2020
- ▶ 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.
- ▶ Deferral on the payment of specific taxes applicable to tourism industry and managed by the Costa Rican Tourism Institute (ICT) for a period of four months

## 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)

## Overview

- ▶ On 17 March 2020, the Croatian Government adopted a first package of measures to help the Croatian economy fight the COVID-19 uncertainties. The March package of measures consists of 63 measures. The total value of the economic package exceeds HRK 30bn (approx. EUR 4 billion).
- ▶ On 2 April 2020, the Croatian Government adopted the second package of measures to help the Croatian economy fight the COVID-19 circumstances. The total combined value of COVID-19 April economic package exceeds HRK 18bn (approx. EUR 2.4bn).
- ▶ Combined, the economic packages comprise of more than 60 measures, which are enacted through more than 20 legislative acts and corresponding bylaws.
- ▶ The General Tax Act introduces a term titled "special circumstances". If the "special circumstances" (COVID-19) affect the ability of a taxpayer to settle his or her tax liabilities, the payment of tax liabilities and public contributions can be written-off, deferred or repayment in installments may be approved.
- ▶ The Croatian Government has released a set of measures aimed at assisting employers to preserve jobs and maintain their workforce. The primary employment economic measure is financial aid to the COVID-19 affected employers in the amount of HRK 4,000 (approx. EUR 550) per employee per month, for the months of April and May. The amount of financial aid for the month of March was HRK 3,250 (approx. EUR 450). Employers are exempted from the obligation to pay social contributions on the amount of salary received as financial aid for the purpose of preserving jobs.
- ▶ The Croatian Government continues to assist the overall economy by encouraging special COVID-19 credit lines, reprogramming of liabilities options and standstills on the existing loan obligations.
- ▶ The COVID-19 set of measures also addresses assistance to the stakeholders in the area of tourism, agriculture, as well as other stakeholders affected by the extraordinary circumstances.
- ▶ The Croatian Financial Agency introduced a centralized digital platform to monitor the implementation of the COVID-19 measures.

## Personal tax

- ▶ Companies that are affected by the extraordinary circumstances and have a decrease in monthly revenue of more than 20% YOY may request an interest-free deferral for payment of taxes (VAT excluded) and social contributions for a period of three months. After expiry of the three-month period, taxpayers will be able to request repayment of taxes and social contributions in up to 24 installments;
- ▶ Taxpayers who generate their income from renting flats, rooms and beds to travellers and tourists and organizing campsites and pay a lump sum tax, will be exempt from the tax liabilities in the amount of ¼ annual lump sum income tax and surtax on income tax, which are due by the end of the second quarter of 2020.
- ▶ VAT, custom duties and excise duties, taxes and surtaxes determined on the final incomes, fees and charges of lottery games, liabilities arising from previously signed administrative agreements and renegotiated obligations under bankruptcy procedures are excluded from the tax exemption.

## VAT, GST and trade

- ▶ The main requirement for tax deferral is 20% decrease in revenues. All taxpayers meeting the main requirement, **irrespective of their annual turnover**, who determine the tax base according to the accrual principle may defer VAT liabilities. The amount that could be deferred is the difference between the VAT due based on the accruals principle and VAT due based on the cash accounting principle.
- ▶ The VAT returns will be filed and due tax calculated as in a standard VAT return. The taxpayer will calculate and report the amount of deferred tax in a designated box of the VAT return.
- ▶ The bylaws prescribe new regulations for VAT that are intended to counter the negative effects of the COVID-19 pandemic. The rules are listed below:
  - ▶ The import of goods needed to counter the effects of the COVID-19 pandemic is exempt from VAT based on Commission Decision (EU) 2020/491 of the European Commission. The deadlines and the conditions for the exemption are prescribed by the Minister of Finance Bylaws. The exemption applies exclusively to bodies governed by public law and goods that are exempt from custom duties in accordance with customs regulations and European Commission's decision.
  - ▶ VAT on goods imported from 20 March 2020 to 20 June 2020 is considered as paid if the taxpayer renders it in the VAT return.
  - ▶ Donations made to help with countering the effects of the COVID-19 pandemic, will not be subject to VAT in the following three months starting from April 2020.

## Business tax

- ▶ Where extraordinary circumstances affected the ability of businesses to settle their tax liabilities or seriously affected the ongoing business, the following economic measures may be utilized:
- ▶ Companies that did not exceed an annual turnover of HRK 7.5 million (approx. EUR 1 million), from supply of goods and services in the previous year, and have a decrease in monthly revenue of more than 50% year over year (YOY), are entitled to exemption in full from the obligation to pay taxes (VAT excluded) and social contributions for the months of April, May, and June;
- ▶ Companies that did exceed an annual turnover of HRK 7.5 million (approx. EUR 1 million) from supply of goods and services in the previous year, and have a decrease in monthly revenue of more than 50% YOY, are entitled to proportional exemption from the obligation to pay taxes (VAT excluded) and social contributions for the months of April, May and June. The proportional exemption will correspond to the percentage of revenue decrease of the taxpayer;
- ▶ Companies that have a decrease in monthly revenue of more than 20% YOY may request an interest-free deferral for payment of taxes (VAT excluded) and social contributions for a period of three months. After expiry of the three-month period, taxpayers will be able to request repayment of taxes and social contributions in up to 24 installments.

## Business tax (continued)

### Measures related to financial reporting and tax return filing:

- ▶ The deadline for submission of financial statements for 2019 for statistical purposes is deferred to 30 June 2020
- ▶ Companies subject to publication of publicly available financial statements must file annual financial statements together with the related audit report within eight months after the FYE and the consolidated financial statements within ten months after the FYE (postponement for two months)
- ▶ Large public-interest company that is required to prepare separate non-financial report on its website, must publish the report within eight months after the trial balance date
- ▶ For a branch office of the company established in another Member State subject to public disclosure, deferral of deadlines for submission of the parent company's financial statements in that Member State, will be considered for Croatian filing as well, due to specific circumstances
- ▶ The deadline for filing of the corporate income tax return is deferred to 30 June 2020. The payment of the corresponding tax liability is postponed to 31 July 2020.
- ▶ Taxpayers whose tax period does not match with the calendar year and taxpayers whose CIT liabilities are not due four months after the expiration of the tax period are excluded from using the aforementioned deferral
- ▶ Companies that are affected by the extraordinary circumstances and have a decrease in monthly revenue of more than 20% year-on-year may request an interest-free deferral for payment of taxes (VAT excluded) and social contributions for a period of three months. After expiry of the three-month period, taxpayers will be able to request repayment of taxes and social contributions in up to 24 installments
- ▶ Taxpayers who generate their income from renting flats, rooms and beds to travellers and tourists and organizing campsites and pay a lump sum tax, will be exempt from the tax liabilities in the amount of ¼ annual lump sum income tax and surtax on income tax, which are due by the end of the second quarter of 2020.
- ▶ VAT, custom duties and excise duties, taxes and surtaxes determined on the final incomes, fees and charges of lottery games, liabilities arising from previously signed administrative agreements and renegotiated obligations under bankruptcy procedures are excluded from the tax exemption.

## Links and resources

### EY materials

- ▶ [COVID-19 Economic measures - Croatia](#)
- ▶ [Tax and employment retention measures](#)
- ▶ [Second package of measures to help the Croatian economy](#)
- ▶ [Tax Alert \(English version\)](#)

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

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

[Return to jurisdiction list](#)

## 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 US \$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.

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>▶ 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> <ul style="list-style-type: none"> <li>▶ <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></li> </ul> |

| Overview   | Personal tax   | VAT, GST and trade  | Business tax  | Links and resources  |
|--|--|---|---|--|
| <ul style="list-style-type: none"> <li>▶ Due to the COVID-19 pandemic, the Ministry of Finance announced a number of tax relief measures, including relief of various sanctions for late filling of selected tax returns and related tax payments.</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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).</li> <li>▶ Automatic removal of the June advance payment on personal income tax without a need to apply.</li> <li>▶ Introduction of Tax Loss Carry-Back for 2020 tax losses to be potentially applied in 2019 and 2018 tax returns.</li> <li>▶ 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</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ There are no extensions currently being granted to filing deadlines for VAT returns.</li> <li>▶ 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.</li> <li>▶ Suspension of obligations from electronic records of sales during the state of emergency and in three subsequent months has been announced.</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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).</li> <li>▶ Automatic removal of the June advance payment on corporate income tax without a need to apply.</li> <li>▶ Introduction of Tax Loss Carry-Back for 2020 tax losses to be potentially applied in 2019 and 2018 tax returns.</li> <li>▶ 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.</li> </ul> | <p><b>EY materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://emeia.ey-vx.com/2520/139210/landing-pages/extraordinary-tax-news.pdf">https://emeia.ey-vx.com/2520/139210/landing-pages/extraordinary-tax-news.pdf</a></li> <li>▶ <a href="https://emeia.ey-vx.com/2520/139210/landing-pages/government-antivirus-employment-protection.pdf">https://emeia.ey-vx.com/2520/139210/landing-pages/government-antivirus-employment-protection.pdf</a></li> <li>▶ <a href="https://emeia.ey-vx.com/2520/139210/landing-pages/additional-tax-relief-measures.pdf">https://emeia.ey-vx.com/2520/139210/landing-pages/additional-tax-relief-measures.pdf</a></li> <li>▶ <a href="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/antivirus-government-employment-protection-program-continued.pdf</a></li> <li>▶ <a href="https://emeia.ey-vx.com/2520/139210/landing-pages/planned-introduction-of-tax-loss-carryback.pdf">https://emeia.ey-vx.com/2520/139210/landing-pages/planned-introduction-of-tax-loss-carryback.pdf</a></li> </ul> |

## Overview

- ▶ Various stimulus measures have been passed by the Danish Parliament - ranging from compensation schemes to government guarantees etc. The measures in force as of the date of this update include:
- ▶ Deferral of reporting and/or payment deadlines for various taxes, VAT etc.
- ▶ Salary compensation
- ▶ Grants covering fixed costs
- ▶ Compensation for turnover losses (self-employed)
- ▶ Compensation for canceled or postponed events
- ▶ COVID-19 State guaranteed loans (separate terms apply to large businesses and SME's, respectively)
- ▶ Export Credit Agency liquidity guarantee and reinsurance
- ▶ Various other measures
- ▶ Advanced payment under the R&D tax credit scheme from November to 30 June 2020. Application deadline 15 May 2020.
- ▶ Further, available grants covering R&D and innovation for SMEs should be considered.

## 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 is required to be made for the deferral of VAT.
- ▶ For businesses with VAT liable exceeding DKK 50m on an annual basis, the deadline for such VAT payments are postponed by a month for the months of March, April and May. This only applies for the payment of positive VAT; negative VAT may still be refunded within three weeks of receipt of the VAT statement.
- ▶ For companies with VAT liable between DKK 5-50m on an annual basis, the payment of VAT is postponed for the first quarter of 2020 and is now payable together with the payment deadline of the second quarter of 2020, on 1 September 2020.
- ▶ For companies with VAT liable below DKK 5m on an annual basis, the VAT payment of the first half of 2020 has been postponed and is now payable together with the payment deadline of the second half of 2020, on 1 March 2021.
- ▶ Businesses may apply for interest-free state loans in an amount equivalent to (1) already paid H2 / Q4 2019 VAT payments for SMEs covered by semi-annual and quarterly VAT reporting cycles, respectively, and (2) already paid special payroll tax (SPT) for so-called "category 4" special payroll tax liable businesses (certain niche categories of business).
- ▶ For businesses reporting SPT according to method 4, the deadline for SPT reporting and payment for the 2nd quarter is postponed from 15 July to 1 September 2020, whereas the deadline for SPT reporting and payment for the 3rd quarter is postponed from 15 October to 16 November 2020.

## 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 2020. 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 April 30th are postponed until August 31st, ii) May 29th are postponed until September 30th, and iii) June 30th are postponed until October 30th.
- ▶ For the companies below the thresholds the payments are as follows: i) The payment that should have been made on 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 maximum refund limit on the business tax account has been temporarily increased from DKK 200,000 to 10 million. Effective as of 7 May 2020 until 1 April 2021, the limit has been further increased to 100 billion. 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 certain 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 taxpayers for the income year 2019 have been extended to 1 September 2020.
- ▶ Businesses can apply for advanced refunds from the R&D tax credit scheme. Application deadline is on 15 May 2020. The application must be supported by an auditor's statement.

## Links and resources

### Government materials

- ▶ [https://www.ft.dk/samling/2019/lovforslag/L134/som\\_fremosat.htm](https://www.ft.dk/samling/2019/lovforslag/L134/som_fremosat.htm)
- ▶ [https://www.ft.dk/samling/2019/lovforslag/L175/som\\_fremosat.htm](https://www.ft.dk/samling/2019/lovforslag/L175/som_fremosat.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](#)

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Dominican Republic has issued emergency measures to address economic impact of COVID-19 pandemic and the Dominican Congress has declared State of Emergency.
- ▶ There is a national curfew in effect from 5:00pm to 6:00am until 17 April 2020.
- ▶ Through Decree 137-20 the Government suspended, while the state of emergency lasts, the computation of the terms of the administrative procedures.
- ▶ Application of a State-administered program to support formal workers suspended because of COVID-19 crisis, based on which the government covers a portion of their salary.
- ▶ Social Security Treasury suspends surcharges while the State of Emergency is in force and for up to 30 days after it is lifted.
- ▶ Dominican Congress extends State of Emergency for 17 additional days, until 30 April 2020.

## Personal tax

- ▶ An extension of the deadline 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 has been granted for fiscal year 2019. The new filing and payment deadline is 29 May 2020.

## VAT, GST and trade

- ▶ Taxpayers may request payment agreements for payment in up to four installments of VAT due for fiscal period February 2020. Additionally, the deadline for filing and payment of VAT for this period is extended to 30 March 2020.
- ▶ Reception of requests for exemption of VAT and Excise Tax for taxpayers covered by special regimes is made available through online platforms.
- ▶ The Customs Administration announced measures of (1) elimination of the surcharge for late declaration, (2) extension of the term of permanence of applicable goods in the Deposit Regime, until three business days after the lifting of the national emergency, and (3) the Customs Administration will discount the days of quarantine to the terms to be computed so that a merchandise is considered abandoned.
- ▶ The Customs Administration has granted a temporary exemption of custom duties and VAT applicable on the importation of certain goods, such as latex gloves, fabric face masks and garments for doctors and hospitals.

## 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 four 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 three 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.
- ▶ Exemption for the income tax prepayments of the fiscal period March 2020 with expiration date on 15 April 2020. This provision does not apply to large national taxpayers, except those with impediment to operate during the state of emergency.
- ▶ Reduction by 50% of installments due on April, May and June 2020 corresponding to payment agreements with the Tax Authority and extension of the agreements for three additional months.
- ▶ Extension of the deadline for the filing and payment of the taxes related to lottery, sports' betting agencies, casino games and slot machines.
- ▶ Extension of the deadline for the filing of the Informative Declaration of Operations with Related Parties for entities with fiscal year end on 30 September, from 30 March to 30 April 2020.
- ▶ Extension of the deadline for the filing and payment of the withholding and fringe benefits, as well as the second installment of the asset tax. The new deadlines will be 24 April and 29 May 2020, respectively.

## Links and resources

### Government materials

- ▶ <https://dgii.gov.do/publicacionesOficiales/avisosInformativos/Paginas/default.aspx>
- ▶ [https://www.camaradediputados.gob.do/serve/listfile\\_download.aspxid=46243&num=1](https://www.camaradediputados.gob.do/serve/listfile_download.aspxid=46243&num=1)
- ▶ <https://www.tss.gov.do/>
- ▶ <https://www.hacienda.gob.do/ministro-de-hacienda-explica-el-funcionamiento-de-los-programas-quedate-en-casa-y-fase/>

| 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 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> </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.aduana.gob.ec/">https://www.aduana.gob.ec/</a></li> </ul> |

| Overview  | Personal tax  | VAT, GST and trade   | Business tax  | Links and resources |
|---|---|--|---|---------------------|
| <ul style="list-style-type: none"> <li>▶ 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%.</li> <li>▶ 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.</li> <li>▶ On 18 March 2020, the General Authority for Investment and 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.</li> <li>▶ 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</li> <li>▶ Natural Persons tax return filing is extended until 16 April 2020</li> <li>▶ Flexibility in the tax payment approach.</li> <li>▶ Corporate income tax due of FY 2019 of companies operating in specific sectors to be paid over installments by 30 June 2020 without any late fees.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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 16 April 2020.</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ The Egyptian cabinet announced that the due corporate income tax of 2019 for companies operating in specific sectors would be paid over installments by 30 June without any late fees. The sectors include aviation, tourism and antiquities, hotels and other touristic establishments, press and media, manufacturing, transport companies and auto distributors, hospitals, construction, communications and information technology and sports..</li> </ul> |                     |

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 12 April 2020 the Salvadoran Congress approved an extension of the Legislative Decree 593, that declares the state of national emergency, state of public calamity and natural disaster. The Decree will remain in force until 16 April 2020.
- ▶ Salvadoran Congress has also approved a temporary restriction to constitutional rights of freedom of movement, freedom of peaceful assembly and freedom of residence due to the COVID-19 pandemic.
- ▶ On 20 March 2020 the Salvadoran Congress approved Legislative Decrees 598, 603 and 604, through which benefits and exemptions have been granted to certain taxpayers and operations.
- ▶ On 21 March 2020 a general quarantine was declared in El Salvador for the term of 30 days. All individuals are forbidden of transit and peaceful assembly during this period.

## Personal tax

- ▶ 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:
  - ▶ Small taxpayers that have to pay Income Tax equal or less than US \$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.
  - ▶ Taxpayers in the tourism industry that have to pay Income Tax, equal or less than US \$25,000.00, can make the payment up to 31 May 2020. The extension is not applicable to taxpayers that has valid tax incentives granted according to the Tourism Law.
- ▶ The payment of the Special Tax on tourism has been suspended for three months.

## VAT, GST and trade

- ▶ Legislative Decree 603 grants exemption of VAT, custom duties and any other intern or municipal tax that could be applicable to the importation of any goods, made by beneficiaries of the Free Trade Zones Law, that will be donated to the Government, Municipalities, Public or Private Institutions, non-profit, humanitarian, educational, communitarian, compassionate and relief entities, to help or to be distributed to the people affected by the COVID-19 pandemic.
  - ▶ The donations must be supported with the corresponding Certificate that will be issued by the Ministry of Economy in favor of the beneficiary entity.
- ▶ Legislative Decree 604 modifies the Central American tariff of Importation (Arancel Centroamericano de Importación) in order to guarantee the supply of the basic food basket, medicines, hygiene and cleaning products required under the national emergency declared.
  - ▶ The import 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.

## Business tax

- ▶ 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:
- ▶ Small taxpayers that have to pay Income Tax equal or less than US \$10,000.00, can make the corresponding payment up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self-assessed.
- ▶ Taxpayers in the tourism industry that have to pay Income Tax, equal or less than US \$25,000.00, can make the payment up to 31 May 2020. The extension is not applicable to taxpayers that has valid tax incentives granted according to the Tourism Law.
- ▶ The payment of the Special Tax on tourism has been suspended for three months.
- ▶ 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:
  - ▶ Taxpayers that generate, transmit, distribute and sale electric power can make the payment of the Income Tax up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self assessed.
  - ▶ Taxpayers that render at least two of the following services: cable TV, internet and fixed or mobile telephony, can make the payment of the Income Tax up to in eight monthly installments. To access to this benefit, the taxpayer will have to request authorization to the General Treasury Directorate and pay in May, 2020, the 10% of the Income Tax self assessed.
- ▶ In all the previously mentioned cases, the Income Tax return must be filed no later than 30 April 2020.
- ▶ 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
  - ▶ Taxpayers that render at least two of the following services: cable TV, internet and fixed or mobile telephony, can make the payment of the advance Income Tax corresponding to March, April and May, 2020, up to in six monthly installments. The first installment corresponds to the 10% of the amount determined and will be paid in July, 2020.
- ▶ The returns must be filed within ten working days following the closing of the corresponding tax period.

## Links and resources

### Government materials

- ▶ <https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/14-03-2020.pdf>
- ▶ <https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/15-03-2020.pdf>
- ▶ <https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/20-03-2020.pdf>

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>▶ The Government of Equatorial Guinea has published a new Decree, providing important tax measures to mitigate the impact of COVID-19.</li><li>▶ Decree n° 43/2020, dated 31 March 2020 provides key amendments and new provisions to the tax regulations in force in Equatorial Guinea, specifically aimed at supporting small and medium enterprises (SMEs) not in the oil sector.</li><li>▶ In addition to the tax measures, the following strategies will be adopted:<ul style="list-style-type: none"><li>▶ Minimizing the payment of electricity by SMEs;</li><li>▶ Minimizing the payment of Internet services by SMEs.</li><li>▶ Rescheduling the repayment of financial credits of SMEs.</li></ul></li></ul> |              |                    | <ul style="list-style-type: none"><li>▶ Negotiations with companies operating in the oil sector to pay tax debts resulting from the liquidation of the corporate income tax for the 2019 fiscal year before the end of April 2020.</li><li>▶ Various measures to support qualifying SMEs in the non-oil sector include:</li><li>▶ Deadline for payment of the minimum income tax (MIT) for the year 2020 extended until June.</li><li>▶ Period for voluntary payment of the liquidation resulting from corporate income tax for the year 2019 is extended to July.</li><li>▶ The MIT is also reduced from 3% to 1.5% for the year 2020, until 30 September 2020.</li><li>▶ The above measures do not apply to companies providing services on behalf of an institution which is part of the public sector.</li><li>▶ To qualify as an SME, the definition and eligibility criteria need to be met.</li><li>▶ A 100% reduction in social security contributions until 30 September 2020 to applications from food distribution and marketing companies and all companies that hire new employees to strengthen their staff in order to comply with the rules established by the health authorities.</li></ul> | <p><b>EY materials</b></p> <ul style="list-style-type: none"><li>▶ <a href="https://globaltaxnews.ey.com/news/2020-5550-equatorial-guinea-announces-new-tax-measures-to-mitigate-impact-of-covid-19">https://globaltaxnews.ey.com/news/2020-5550-equatorial-guinea-announces-new-tax-measures-to-mitigate-impact-of-covid-19</a></li></ul> |

## Overview

- ▶ The government announced various fiscal measures designed to minimize the economic and social impacts of COVID-19.

## Personal tax

- ▶ Forgiveness of all tax debt prior to 2014/2015.
- ▶ A tax amnesty on interest and penalties for tax debt pertaining to 2015/2016 - 2018/2019 tax years

## VAT, GST and Trade

- ▶ A one-month grace period has been granted for the payment of Value-Added Tax (VAT) and Turnover Tax.
- ▶ The Ministry of Revenues will speed up VAT refunds to support taxpayers with cash flows.
- ▶ Materials and equipment to be used in the prevention and containment of COVID-19 are exempt from import duties and other taxes.

## Business tax

- ▶ Tax waiver has been granted to taxpayers in the manufacturing, construction and financial sector for any assessment due for the period between 2005 and 2015.
- ▶ Interest and penalties on outstanding taxes due between 2016 and 2019 will be canceled outright and the underlying tax due can be paid in installments.
- ▶ Firms that pay their tax in a lump sum will receive a 10% tax credit.
- ▶ There will be as much as 20% discount on taxable income for companies donating to the COVID-19 response.
- ▶ Landlords will be exempted from taxes payable for one tax year.
- ▶ Companies in loss positions during this period should be permitted to carry forward incurred losses for more than two financial years.
- ▶ Employers would be exempted from paying personal income tax withheld from employee salaries for four months. This applies to employers who continue paying employee salaries despite not being able to operate due to COVID-19.

## Other measures

- ▶ The National Bank of Ethiopia (NBE) will release funds totaling ETB15 billion to commercial banks to enable them to provide loans and debt relief to impacted customers.
- ▶ The minimum selling price set by the NBE for the horticulture sector for flower exports has been temporarily removed.
- ▶ Importers of goods for prevention of COVID-19 will be given priority access to foreign currencies.
- ▶ Development Bank of Ethiopia will issue loans to microfinance institutions who can in turn lend to small and medium-sized enterprises.
- ▶ National Bank of Ethiopia will facilitate loans to microfinance institutions.
- ▶ Registered exporters who are unable to export can supply their products locally.

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

- On 15 April 2020, the Estonian Parliament adopted the Act on the State's Supplementary Budget for 2020 (measures related to the spread of the COVID-19 disease). The President promulgated the act on 16 April 2020
- The supplementary budget allows KredEx (the foundation established by the state for providing financial solutions) to provide business loans and guarantees in the amount of up to 500 million euros. An additional 200 million euros will be allocated to the Health Insurance Fund, and the Government may acquire convertible bonds to support strategic businesses.
- Parliament is discussing an additional package of COVID-19 measures, which includes suspension of the obligation to apply for bankruptcy and new rules for foreigners to work and stay in Estonia during the emergency.
- The Estonian government's first stimulus package was valued at €2 billion, which represented 7% of the country's GDP. The aim of the package is to mitigate the situation for employees and businesses in Estonia.
- In the period between 1 July 2020 and 31 August 2021, state payments (4%) into the compulsory pension fund (II pillar) are temporarily suspended.
- The government will use €250 million to support the income of employees who cannot work due to the economic effects of the COVID-19 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

- Revenue from selling timber or cutting rights and from Natura 2000 support will be tax exempt for up to 5,000 euros a year for both sole proprietors and other natural persons (from 1 January 2020).
- An employee can discontinue their II pillar payments in the period from 1 December 2020 to 31 August 2021 by submitting an application in October 2020.

## VAT, GST and trade

- The value added tax rate on electronic publications (e.g., e-books) will be reduced to 9% from 1 May 2020, so that the tax rate will equal that of print publications.
- The government will lower the excise duty rates on several types of fuels and electric power for two years, from 1 May 2020 until 30 April 2022.

## Business tax

- ▶ The tax authorities have suspended the application of interest on tax arrears for the period of emergency with retroactive effect as from 1 March 2020 until the end of the emergency period.
- ▶ After the emergency period, the default interest rate will be lowered from the usual 0.06% per day to 0.03% per day until 31 December 2021.
- ▶ After the emergency period, the tax authority can reduce the interest rate upon deferral of payment of the tax arrears by up to 100% as of the date of adoption of the deferral decision 31 December 2021. Thus, the effective interest rate can be reduced to 0% until 31 December 2021 via a decision of the tax authority.
- ▶ The employer is released from the obligation to pay minimum any social tax liability lower than 540 euros a month on wages paid in March, April and May 2020. The state made the advance payments of social tax payable by sole proprietors in the first quarter of 2020. In cases where private entrepreneurs have already paid the tax, such funds may be used to cover other taxes.
- ▶ In the period between 12 March 2020 and 1 July 2020, corporate donations and gifts made to hospitals, welfare institutions and state and local government authorities are exempt from corporate income tax.

## Links and resources

### Government materials

- ▶ <https://www.tootukassa.ee/eng/content/temporary-subsidy-program>
- ▶ <https://news.err.ee/1066821/government-approves-250-million-unemployment-fund-for-coronavirus-support>
- ▶ <https://www.emta.ee/eng/etcbs-information-emergency-situation>
- ▶ <https://www.rahandusministeerium.ee/en/news/supplementary-budget-includes-lower-excise-duties-and-temporary-suspension-funded-pension-suspension-funded-pension>

## Overview

- ▶ On 16 March 2020, the Government, in cooperation with the president, declared a state of emergency in Finland.
- ▶ 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 euro 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, euro 150 million will be given to Business Finland and euro 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% 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
- ▶ Temporary actions to secure survival of businesses - shortening of lay-off period.
- ▶ Unemployment security waiting period (five days) will be removed from lay-offs and redundancies. In addition to this, the minimum duration of employment required for eligibility for unemployment allowance will be shortened to 13 weeks if the employment has started after 1 January 2020.
- ▶ Entrepreneurs and self-employed irrespective of type of business (including sole traders and freelancers) will be entitled to unemployment allowance. To receive unemployment allowance, entrepreneurs must explain how their business has been weakened due to COVID-19.
- ▶ Notification period for lay-offs and for statutory employer- employee negotiations will be shortened to five days. Employer's lay-off right will extend to fixed-term contracts.
- ▶ The Tax Administration is granting a month of extra time for filing due to the COVID-19 situation. This extra month does not need to be separately requested, and no late-filing penalties are imposed for tax returns filed during the month.

| Overview (continued)  | Personal tax | VAT, GST and trade  | Business tax   | Links and resources  |
|---|--------------|---|--|--|
| <ul style="list-style-type: none"> <li>▶ Unemployment security waiting period (five 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 be entitled 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 five days. Employer's lay-off right will extend to fixed-term contracts.</li> <li>▶ The Tax Administration is granting a month of extra time for filing due to the COVID-19 situation. This extra month does not need to be separately requested, and no late-filing penalties are imposed for tax returns filed during the month.</li> </ul> |              | <ul style="list-style-type: none"> <li>▶ No additional time for filing VAT returns or other tax returns for self-assessed taxes can be granted.</li> <li>▶ In the case of late filing or late payment, tax payers can request that the penalty be removed, if they have a justified reason for the late payment/filing, such as illness or quarantine.</li> <li>▶ Tax payers can request for a payment arrangement with eased terms for the company's taxes between 25 March and 31 August 2020.</li> <li>▶ VAT already paid in the beginning of the year 2020 may be reclaimed as a loan with 3% interest.</li> <li>▶ Customs duties and VAT waived for certain medical supplies imported from outside the EU until 31 July 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The deadlines for paying taxes are postponed (further details of this are not yet known).</li> <li>▶ The Tax Administration is granting a month of extra time for filing due to the COVID-19 situation.</li> <li>▶ The extra month does not need to be separately requested, and no late-filing penalties are imposed for tax returns filed during the month.</li> <li>▶ The interest rate for late payment is reduced to 4% (currently 7%) for taxes due from 1 March 2020.</li> </ul> | <p><b>EY materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="#">Responding to COVID-19</a></li> <li>▶ <a href="#">Corona virus (COVID-19), The most important labor law issues in the Nordic countries</a></li> </ul> <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="#">Corona situation: Recent updates</a> (from the Finnish tax authority)</li> </ul> |

## 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 COVID-19 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 three 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 at the present time).
- ▶ Government objective of rapid refund of excess input VAT to the companies (i.e., within one 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

- ▶ Postponement upon request and without penalty of the payment of the current/upcoming direct taxes installment (for CIT down payment, corporate property tax or property tax (taxe foncière) and business contribution on the added value (CVAE)) or tax audit liabilities, or if already paid, request for a reimbursement (specific form available on the tax authorities' website). At this stage, this only applies to those direct taxes due in March, April and May: down payment from corporation tax, payroll tax, and for companies that pay these taxes monthly from the companies' property tax and the CVAE. If the company is facing major financial difficulties due to COVID-19, a settlement plan can be requested from the public accountant in order to spread or defer the payment of tax debt. If the difficulties cannot be resolved by such a plan, the company may request a rebate of direct taxes subject to a personalized examination of the difficulties actually encountered. This request can be made by filling in a dedicated form on the tax authorities website. For large companies and large groups with more than 5,000 employees or €1.5 billion in sales, deferrals of payment deadlines will only be granted in the absence of dividend payments or share buybacks until the end of 2020. Companies that are able to do so are invited to fulfil their reporting and payment obligations within the initial timeframe.
- ▶ Filing postponement to 30 June 2020 for CIT returns (the postponement should not go beyond, given the need to anticipate future revenues). Filing postponement applicable to CIT tax returns, to forms relating to tax credits and to categorical income (BIC, BNC, BA) subject to income tax.
- ▶ Acceleration of reimbursements of tax credit (tax credit for competitiveness and employment (CICE), R&D tax credit (CIR), Innovation tax credit (CII), etc.) receivables due to companies upon request
- ▶ Solidarity fund created by the State and regions for entrepreneurs, merchants, artisans and financial support of EUR 1,500 for the smallest businesses, the self-employed and microenterprises in the sectors most affected. Municipalities and large companies will be able to contribute to the financing of the fund. The solidarity fund was funded for March and may be renewed if necessary, in view of the development of lockdown measures and their impact on economic activity. For the most difficult situations, additional support of EUR 2,000 may be granted on electronic request to the Conseil Regional to avoid bankruptcy on a case-by-case basis. The amount granted will depend on the loss of turnover incurred. This fund is aimed at companies with a workforce less than or equal to 10 employees, turnover of less than €1,000,000 and a taxable profit of less than €60,000.

## Business tax (continued)

- ▶ For the smallest companies, deferring of payment of various invoices (e.g., water, gas or electricity and rents). Two categories of beneficiaries are identified, the companies described above and the companies in "collective procedure" (settlement of debts proceedings). Companies that encounter difficulties can send a request for a postponement to their water, gas or electricity supplier (at the time of the rescheduling request, companies certify that they meet the eligibility conditions). Suppliers may not suspend, interrupt or reduce, including by terminating a contract, the supply of electricity, gas or water. The application of penalties, the lease termination or the activation of guarantees due to the default of payment of rents is prohibited.
- ▶ Simplification and strengthening of partial unemployment scheme.

## Links and resources

### Government materials

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

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

[Return to jurisdiction list](#)

## 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 COVID-19 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 COVID-19, such as suspension of international flights, public transportation, and educational processes, as well as prohibition of public gatherings consisting of 10 or more individuals.
- ▶ On 30 March 2020, further restrictions were imposed, including the following: transportation of passengers by rail as well as air traffic within the country have been prohibited, with some exceptions; Travelling of more than 3 persons (including driver) in a car has been prohibited for the period of the State of Emergency; public gatherings of more than three people have been prohibited, with some exceptions; a curfew has been imposed, prohibiting individuals to travel on foot or by vehicle between 9PM and 6AM; individuals are now obliged to have identification documents at hand while being outside; the individuals of 70 or more years of age are prohibited to leave their place of residence (except for the purpose of getting medical service, purchasing food/medicine); the Government has determined a list of businesses that will be permitted to continue operation during the State of Emergency, such as medical institutions, food retailers, commercial banks, delivery services, etc.

## Personal tax

- ▶ The Government of Georgia will postpone the liability of payment 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, until 1 November 2020. 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. Furthermore, no late payment interest will be assessed on deferred tax liabilities.

## 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, the German Government agreed on several measures to address the economic impact of COVID-19. The German Bundestag/parliament approved the Government draft law on 25 March and the proposals passed the Federal Council on Friday, 27 March.
- ▶ The laws cover the measures already announced previously and have a volume of approx. EUR 122.5 billion.
- ▶ 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. On 22 April 2020, the government announced an increase in compensation benefits to up to 87% (depending on duration and family status) for those whose working time had been decreased by more than 50%.
- ▶ Small businesses with up to ten employees will receive a direct subsidy for certain expenses (e.g., rent payments) in form of a one-time payment if economic hardship is caused by COVID-19. The payment will amount up to EUR 9,000 for businesses with up to five employees and up to EUR 15,000 for businesses with up to 10 employees. However, the subsidy will be considered taxable income.
- ▶ Conditions for the KfW-Unternehmerkredit (business loan 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 (however limited to 50% of the overall financing risk).
- ▶ The KfW-Schnellkredit 2020 disburses up to EUR 800,000 for individual businesses (depending on monthly turnover and number of employees) quick and unbureaucratically, as the KfW waives credit risk assessments and dispenses the underwriting commercial bank from 100% of the liability.
- ▶ For guarantee banks (Bürgschaftsbanken), the guarantee limit will be doubled, to EUR 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 EUR 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 former bank rescue fund "Soffin" will be converted into an "economic stabilization fund" for large businesses which are critical for the system. The fund can provide equity financing, participate in re-financing (e.g., absorb certain liabilities) and has a volume of EUR 600 billion.
- ▶ Insolvencies due to the COVID-19 impact have not to be declared until 30 September 2020. Further, the law implements a moratorium for certain obligations which were taken on prior to 8 March and if their fulfillment would constitute a danger for health of economic survival. Moreover, lease agreements cannot be terminated due to outstanding lease payments for the period 1 April to 30 June if the lessee's inability to pay the lease payments is due to COVID-19 impact.
- ▶ For certain types of reorganizations (e.g., mergers and de-mergers), a balance sheet not older than eight 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.
- ▶ Subsidies for COVID-19 related R&D, investments in testing infrastructures and production facilities in Germany are expected (volume approx. EUR 5 billion):
  - ▶ Up to 80% of eligible costs in case of new investments (95% if project is completed within 2 months or project with more than one Member State)
  - ▶ Up to 100% of eligible costs for R&D activities
  - ▶ Up to 75% of eligible costs in case of upscaling of existing facilities (90% if project is completed within two months)
- ▶ No final decision as to whether this will be in form of direct grants, tax benefits, repayable advances or loss cover guarantees yet.

## 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 COVID-19 pandemic, 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). Additional decrees with minor adjustments followed throughout the past weeks. 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 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. Monthly and quarterly declarations for wages taxes (including tax payments) can be deferred for up to two months if the COVID-19 virus impedes bookkeepers to submit timely declarations.
  - ▶ **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.
  - ▶ **Loss carry-back:** In a decree dated 24 April 2020, the MoF permits an accelerated flat rate loss-carry back of 15% of relevant 2019 income, limited to EUR 1 million for single individuals or corporations, EUR 2 million for joint-filing individuals. The loss carry-back is granted upon application.
  - ▶ **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 catalogue 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 COVID-19. 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.

## Personal tax

- ▶ Bonuses in the form of direct payments or fringe benefits to mitigate negative impacts of the COVID-19 pandemic on employees are tax free for up to €1,500, if the transfer is “justifiable” (which, for the duration of the crisis, is generally assumed).
- ▶ Germany is discussing flexible regulations with its treaty partners to avoid any unintended effects for cross-border commuters working at home during the crisis. Three final consultation agreements have been published (The Netherlands, Luxembourg, Austria), further agreements may follow. Affected persons will receive the same tax treatment while working at home as they would have received, had they not been impacted by the measures designed to tackle the COVID-19 crisis. The provisions apply for working days between 11 March 2020 and 30 April 2020 and are automatically extended at the end of a month for an additional month unless canceled beforehand.

## 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.
- ▶ **Reduced VAT rate for gastronomy:** The government intends to reduce the VAT rate from 19 to 7% for gastronomic businesses from 1 July 2020 through 30 June 2021.

## 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 Strafrecht 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/2020/03/1620\\_Insolvenzantragspflicht.html](https://www.bmjv.de/SharedDocs/Zitate/DE/2020/03/1620_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: Prepayments/loss carry back*

[https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF\\_Schreiben/Steuerarten/Einkommensteuer/2020-04-24-Corona-Sofortmassnahme-Antrag-auf-pauschalierete-Herabsetzung-bereits-geleisteter-Vorauszahlungen-fuer-2019.pdf;jsessionid=649CDE612D54D9D80DC10BAE6ACF7596.delivery2-replication?\\_\\_blob=publicationFile&v=2](https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF_Schreiben/Steuerarten/Einkommensteuer/2020-04-24-Corona-Sofortmassnahme-Antrag-auf-pauschalierete-Herabsetzung-bereits-geleisteter-Vorauszahlungen-fuer-2019.pdf;jsessionid=649CDE612D54D9D80DC10BAE6ACF7596.delivery2-replication?__blob=publicationFile&v=2)

## Links and resources (continued)

### Government materials

*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)

*German version only:* Abmilderung der zusätzlichen Belastung durch die Corona-Krise für Arbeitnehmer

[https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF\\_Schreiben/Steuerarten/Lohnsteuer/2020-04-09-steuerbefreiung-fuer-beihilfen-und-unterstuetzungen.pdf%3bjessionid=CB86887CC3A656A89CF4516B0A664324.delivery2-replication?\\_\\_blob=publicationFile&v=1](https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF_Schreiben/Steuerarten/Lohnsteuer/2020-04-09-steuerbefreiung-fuer-beihilfen-und-unterstuetzungen.pdf%3bjessionid=CB86887CC3A656A89CF4516B0A664324.delivery2-replication?__blob=publicationFile&v=1)

*German version only:* Konsultationsvereinbarung zwischen der Bundesrepublik Deutschland und: Niederlande:

[https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/Internationales\\_Steuerrecht/Staatenbezogene\\_Informationen/Laender\\_A\\_Z/Niederlande/2020-04-08-DBA-Niederlande-Konsultationsvereinbarung.pdf?\\_\\_blob=publicationFile&v=1](https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/Internationales_Steuerrecht/Staatenbezogene_Informationen/Laender_A_Z/Niederlande/2020-04-08-DBA-Niederlande-Konsultationsvereinbarung.pdf?__blob=publicationFile&v=1)

Österreich:>

[https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/Internationales\\_Steuerrecht/Staatenbezogene\\_Informationen/Laender\\_A\\_Z/Oesterreich/2020-04-16-konsultationsvereinbarung-zwischen-der-bundesrepublik-deutschland-und-der-republik-oesterreich-vom-15-04-2020.pdf?\\_\\_blob=publicationFile&v=1](https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Steuern/Internationales_Steuerrecht/Staatenbezogene_Informationen/Laender_A_Z/Oesterreich/2020-04-16-konsultationsvereinbarung-zwischen-der-bundesrepublik-deutschland-und-der-republik-oesterreich-vom-15-04-2020.pdf?__blob=publicationFile&v=1)

*German version only:* KfW-Schnellkredit 2020

[https://www.kfw.de/inlandsfoerderung/Unternehmen/Erweitern-Festigen/Foerderprodukte/KfW-Schnellkredit-\(078\)?kfwmc=vt.sea.google.SEA\\_VT\\_Erweitern\\_Corona\\_Schnellkredit\\_BK.{Anzeigengruppe}.{Anzeigengruppe}&wt\\_cc1=erweitern&wt\\_cc2=kon|newsroom&wt\\_cc3=103163403271\\_kwd-899949303356\\_431456682414&wt\\_kw=b\\_103163403271\\_%2Bkfw%20%2Bschnellkredit](https://www.kfw.de/inlandsfoerderung/Unternehmen/Erweitern-Festigen/Foerderprodukte/KfW-Schnellkredit-(078)?kfwmc=vt.sea.google.SEA_VT_Erweitern_Corona_Schnellkredit_BK.{Anzeigengruppe}.{Anzeigengruppe}&wt_cc1=erweitern&wt_cc2=kon|newsroom&wt_cc3=103163403271_kwd-899949303356_431456682414&wt_kw=b_103163403271_%2Bkfw%20%2Bschnellkredit)

*German version only:* Wage tax deferral

[https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF\\_Schreiben/Weitere\\_Steuerthemen/Abgabenordnung/2020-04-23-verlaengerung-der-erklarungsfrist-fuer-vierteljaehrliche-und-monatliche-lohnsteueranmeldungen-waehrend-der-corona-krise.pdf?\\_\\_blob=publicationFile&v=1](https://www.bundesfinanzministerium.de/Content/DE/Downloads/BMF_Schreiben/Weitere_Steuerthemen/Abgabenordnung/2020-04-23-verlaengerung-der-erklarungsfrist-fuer-vierteljaehrliche-und-monatliche-lohnsteueranmeldungen-waehrend-der-corona-krise.pdf?__blob=publicationFile&v=1)

*German version only:* Prepayments/loss carry back

<https://www.bundesfinanzministerium.de/Content/DE/Pressemitteilungen/Finanzpolitik/2020/04/2020-04-23-PM08-Liquiditaetshilfe.html>

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

[Return to jurisdiction list](#)

## 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.
- ▶ On 30 March 2020, the Finance Minister presented various tax measures to be introduced by the Government to mitigate the economic burden on taxpayers.
- ▶ Further, on 5 April 2020, Ghana's President announced various incentives the Government has proposed for frontline health workers as well as for the general public.
- ▶ In pursuance of the implementation of tax measures presented to Parliament by the Minister for Finance and Economic Planning to mitigate the economic burden on taxpayers, the Ghana Revenue Authority (GRA) has outlined measures to ensure that taxpayers are able to meet their tax obligations during this period.

## Personal tax

- ▶ The due date for filing the Annual Return has been extended from four months to six months after the end of the basis year.
- ▶ June 2020 will be the Annual Tax Month instead of April 2020.
- ▶ 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.
- ▶ Incentives for frontline health workers:
  - ▶ Exemption from the payment of tax on their employment emoluments for a three-month period commencing from April 2020.
  - ▶ A daily allowance of GHS150 (approx. US\$26) payable to those undertaking contact tracing.
  - ▶ Additional allowance of 50% of their basic salary per month for a four-month period commencing from March 2020.
  - ▶ Insurance package, with an assured sum of GHS350,000 (approx. US\$60,345).
- ▶ To enable everyone to wash their hands frequently, Government will absorb the water bill of every resident individual for a three-month period commencing April 2020.

## VAT, GST and trade

- ▶ The Government will waive VAT on the donation of stock of equipment and goods for fighting the COVID-19 pandemic.
- ▶ The due date for the sale of Vehicle Income Tax stickers for the second quarter has been extended by one month ending on 15 May 2020.

## Business tax

- ▶ The due date for filing the Annual Return has been extended from four months to six months after the end of the basis year. Companies that can file their returns before the extension period are encouraged to do so. According to the GRA, such companies will be classified as compliant and eligible for early issuance of both the Tax Clearance Certificate and the Withholding Tax Exemption Certificate.
- ▶ June 2020 will be the Annual Tax Month instead of April 2020.
- ▶ The due date for filing Self-Assessment return by entities with a 31 December financial year-end, which was originally 31 March 2020, has been extended to 30 April 2020.
- ▶ 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 toward 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/)

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

[Return to jurisdiction list](#)

## 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>

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

[Return to jurisdiction list](#)

## 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 five legislative acts (dated 11 March 2020, 20 March 2020, 30 March 2020 and 13 April 2020 and 1 May 2020) and Law 4683/2020, implemented through various Ministerial Decisions, whereas Government announcements have declared the adoption of further measures and amendments/specifications on the measures already introduced.

## Personal tax

- ▶ The payment of debts already due on 11 March 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: 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 above applies to private individuals that lease real estate property and employees under employment contract suspension of enterprises included in the list of "affected" enterprises within April, only for the tax debts due within April.
- ▶ The payment of debts already due on 1 May 2020 or assessed and due to the tax administration between 1 May 2020 and 31 May 2020, as well as the payment of debt installments or partial repayments due within May, are suspended until 30 September 2020. This applies for private individuals that lease immovable property to affected enterprises (as listed for May 2020 measures), as well as for employees of affected enterprises whose employment contract has been suspended.
- ▶ The employees of mandatorily closed enterprises whose employment contract is suspended are eligible to pay their agreed rent price for their main residence reduced by 40% for months March and April. The 40% rent reduction is also granted to the employees of affected enterprises whose employment relationship has been suspended, applicable to the rent of their main residence for April.
- ▶ The deadline for the submission of inheritance, donation and parental gifts tax returns to be submitted within March and April 2020 has been extended to 29 May 2020.

## VAT, GST and trade

- ▶ The payment of VAT due between 11 and 30 March 2020 is suspended until 31 August 2020 for affected enterprises.
- ▶ The payment of VAT already due on 11 March 2020 is suspended 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 payment of VAT due between 1 May 2020 to 29 May 2020 is suspended until 30 September 2020 for affected enterprises.
- ▶ The payment of VAT already due on 1 May 2020 is suspended until 30 September 2020 for affected enterprises (as listed for May 2020 measures).
- ▶ 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, GST and trade**

- ▶ 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.
- ▶ Enterprises affected by the COVID-19 outbreak (as defined in the relevant Ministerial Decisions) that will fully pay their VAT obligations stemming from their VAT returns filed for the first trimester of 2020 (in case of single-entry books) or for March of 2020 (in case of double-entry books) up until 30 April 2020, are entitled to offset 25% of the VAT timely paid against tax debts or tax debt installments or partial repayment scheme installments owed to the Tax Administration, which are due from 1 May 2020 onward.
- ▶ As a prerequisite for benefiting from such 25% offset, enterprises maintaining double-entry books must fully pay the VAT of February 2020, with the exception of enterprises whose operation was under suspension on 26 March 2020.

**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 to 30 April 2020 are suspended up until 31 August 2020. The collection of debts assessed and due on 11 March 2020 are suspended up until 31 August 2020.
- ▶ 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 March 2020 to 30 April 2020 by affected enterprises. 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 April 2020 will not be subject to 25% discount; however, 25% of March VAT payable by 30 April 2020 may be offset against any other tax debts of the enterprise, due from 1 May 2020. As a prerequisite for benefiting from such 25% offset, enterprises maintaining double-entry books must fully pay their VAT owed of February 2020. Maintenance of all job positions in order to be eligible for both measures must be clarified.
- ▶ The payment of debts assessed and due to the tax administration, as well as the payment of debt installments or partial repayments due between 1 May 2020 to 31 May 2020 are suspended up until 30 September 2020. The collection of debts assessed and due on 1 May 2020 is suspended up until 30 September 2020. This applies to enterprises included in the list of “affected enterprises” for May.
- ▶ 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 whose operations are mandatorily suspended or forbidden shall be liable to pay the agreed rent for their business premises for the months March and April, but such rents shall be reduced by 40%. This reduction may also apply to finance leases of immovable property or movable assets for business use. VAT or stamp duty due shall be adjusted accordingly. Said rent reduction applies also for the rent of business premises and finance leases of immovable property or movable assets for business use of affected enterprises for April.
- ▶ Deadlines for the expiration, presentation and payment of cheques due by affected enterprises according to their activity code number (KAD) are suspended from 30 March 2020 to 31 May 2020 for 75 days as of the date of each cheque. The above suspension also applies to enterprises whose activity code number (KAD) 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 have been determined by Ministerial Decision. The portal for applying for the granting of such state aid has been launched and is open up until 19 May 2020 for enterprises to finalize their application. 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 KAD. Certain other targeted fast-track loans and interest subsidy measures were also adopted by the Greek Government.
- ▶ 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)
- ▶ <https://emeia.ey-vx.com/406/82407/landing-pages/covid-19-tax-alert-eng-08.04.2020-pnp-13-4-2020-2.pdf>
- ▶ <https://emeia.ey-vx.com/api/email/handler?sid=492c36ce-e878-4a67-99e5-6c5b18b2449b&redirect=https%3a%2f%2femeia.ey-vx.com%2f406%2f82407%2flanding-pages%2fcovid-19-tax-alert-eng-05.05.2020-repayable-advance-3.pdf>
- ▶ <https://emeia.ey-vx.com/api/email/handler?sid=48fe8c53-a24a-49a8-b519-9d6dde481bec&redirect=https%3a%2f%2femeia.ey-vx.com%2f406%2f82407%2flanding-pages%2fcovid-19-tax-alert-eng-13.05.2020-2.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 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.
- ▶ Enacted Decree 12-2020, determines that all administrative deadlines of public entities have been extended for three months, with certain exceptions.
  - ▶ However, the Tax Authorities continue to receive files from taxpayers, which means that a case-by-case analysis is required in order to determine the applicability of such extension for tax purposes.

## Personal tax

## VAT, GST and trade

- ▶ The deadline for filing the February VAT return is extended to 15 April 2020.
- ▶ The deadline for filing the March VAT withholding tax return is 6 May 2020.
- ▶ Decree 12-2020 entered into force on April 1 of 2020 and it determines an exemption of VAT and customs duties over all imports received as donations in favor of the Coordinating Entity for Disaster Reduction (CONRED), churches, organizations and charitable associations duly authorized and registered in the Registry of Legal Entities of the Ministry of Governance, while the State of Public Calamity and its possible reforms are in force.
- ▶ On 13 April 2020, the Tax Administration issued a statement granting VAT withholding agents and special taxpayers an extension until 29 April 2020, to submit financial statements audited by a public accountant and independent auditor.

## Business tax

- ▶ The deadline for the presentation of reports required by law is extended to 15 April 2020.
- ▶ Existing or new audit processes are suspended during the established period and are resumed on 15 April 2020.
- ▶ The deadline for attending information requests or presenting administrative appeals to the Tax Authorities is suspended and resumed on 15 April 2020.
- ▶ On 23 March 2020, the corresponding agreements were issued granting private sector employers the suspension of quotas for the Workers' Recreation Institute (IRTRA), the Technical Institute for Training and Productivity (INTECAP) and the Guatemalan Social Security Institute (IGSS) during the months of March, April and May, so that the payments may be deferred in the second half of 2020.
- ▶ The deadline for filing the annual income tax return is 15 April 2020.
- ▶ The deadline for filing the income tax return withholding is 28 April 2020.
- ▶ The recently enacted Decree 12-2020 determines that taxpayers subject to Solidarity Tax obligations may defer the payment corresponding to the second quarter of 2020 and may perform such payment until 30 September 2020 without generating any penalty, fine or surcharge. However, taxpayers benefiting from this measure may not lay off workers until the payment is completed.

## Other measures

- ▶ Guatemalan Tax Authorities declared as non-working days from 24 March 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.
- ▶ Decree 12-2020 determines that all administrative deadlines of public entities have been extended for three months, with certain exceptions. However, we are aware that the tax authority continues to receive files from taxpayers, which means that a case by case analysis is required in order to determine the applicability of such extension for tax purposes.

## 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", 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> |                     |

Find the most current version of this tracker on [ey.com](https://www.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>▶ Honduras issued several emergency measures to address economic impact of COVID-19 pandemic.</li> </ul> | <ul style="list-style-type: none"> <li>▶ By Legislative Decree N° 33-2020, a deferral on the payment of the income tax for persons and independent professionals was approved. Tax return and payment must be made no later than 30 June 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ By Executive Decree 30-2020, a extension to file GST returns was approved for all taxpayers who have not had operations during the state of emergency. GST returns must be filed no later than 10 business days following the end of the state of emergency.</li> <li>▶ An import duties and local taxes exemption is granted for the importation of raw materials, supplies, amongst others, to produce healthcare products and medicines to counter COVID-19. Exemption on local taxes (GST) also applies to masks and alcohol gel.</li> </ul> | <ul style="list-style-type: none"> <li>▶ A deferral on the payment of the income tax for persons and independent professionals was approved. Tax return and payment must be done before 30 June 2020, but only for small and medium companies.</li> <li>▶ Small and medium companies who file and pay the return on or before 30 April 2020 may apply a discount of 8.5% of the tax to be paid.</li> <li>▶ Taxpayers who, during March to December 2020, preserve their payroll and the payment of wages, will be able to apply for the months within the state of emergency, an additional 10% (over the salaries paid) as a deductible expense for fiscal year 2020.</li> <li>▶ Income tax advance payments for fiscal year 2020 will be calculated on 75% of the tax declared for fiscal year 2019. The payment dates are postponed for 30 August, 30 October and 31 December 2020.</li> <li>▶ Extension to file the Transfer Pricing informative return to 31 July 2020.</li> <li>▶ An extension to pay the Private Contributions Scheme (RAP) of February 2020, was approved. Contributions to the RAP can be paid within the following 15 days after the state of emergency ends.</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="http://www.presidencia.go.cr">www.presidencia.go.cr</a></li> <li>▶ <a href="http://www.hacienda.go.cr">www.hacienda.go.cr</a></li> <li>▶ <a href="http://www.procomer.com">www.procomer.com</a></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 installment 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 installment 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.

## 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

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

[Return to jurisdiction list](#)

## 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 24 March 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/>

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 19 March 2020, India announced the formation of the COVID-19 Economic Response Task Force which has announced various measures, including approval of schemes worth US\$1.5 billion and US\$560 million respectively to ensure production of critical drugs and medical equipment in India and 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 US\$4 billion in forex swaps to provide dollar liquidity at a time when dollar availability is drying up; US\$5.7 billion in government bond purchases in March; US\$14 billion in overnight liquidity made available to banks via the repo window; US\$14 billion in long term repo operations where banks can raise funds for one to three years at the repo rate.
- ▶ 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 US\$10 million for the fund.
- ▶ Corporate law relaxations include: companies' expenditure to deal with the COVID-19 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 to be extended by a period of 60 days for next two quarters; no fee charged for delayed corporate law filings in respect of any document, return, statements from 1 April 2020 to 30 September 2020; applicability of Companies (Auditor's Report) Order, 2020 from 2020-21 instead of 2019-20; requirement to file Declaration for Commencement of Business by New Companies increased to 12 months from six months.
- ▶ On 12 May 2020, the stimulus package of INR20 trillion (US\$266 billion) i.e. approximately 10% of Indian GDP was announced by the Prime Minister of India. The stimulus package focuses on reforms relating to land, labour, liquidity and laws.

## Personal tax\*

- ▶ All due dates for filing tax returns, notices, appeals and making investments for claiming various tax deductions falling during the period 20 March 2020 to 29 June 2020 has been extended to 30 June 2020.
- ▶ Delay in payment of income-tax up to 30 June 2020 will be subject to reduced interest rates. Further, for such delayed payment until 30 June 2020, there will be no levy of penalty or late fee or initiation of prosecution.
- ▶ Due date for payment of provident fund and employee state insurance contributions for the month of March 2020 has been extended.
- ▶ Provident fund / National Pension System members are allowed to claim non-refundable advance/partial withdrawal for up to a specific limit.
- ▶ The Central Government will pay provident fund (social security) contributions for three months for eligible employees who are employed in eligible establishments.
- ▶ Relaxation in determining residential status of individuals under the Income-tax Act.
- ▶ Due date for filing of individual tax returns for tax year 2019-20 has been extended up to 30 November 2020.
- ▶ The period of limitation for income tax assessments getting time barred on certain specified dates shall be extended.
- ▶ Rate of Provident Fund (social security) contribution for both employer and employee has been reduced from 12% to 10%.

## VAT, GST and trade\*

- ▶ Payment of tax for the months of February, March and April 2020 can be made till last week of June 2020 without interest. However, if the annual turnover is more than INR50 million (US\$666,000), interest shall be levied after 15 days of the due date of filing return, at a reduced rate of 9% per annum.
- ▶ No late fee shall be payable for delayed filing of statement (Form GSTR-1) and return (Form GSTR-3B).
- ▶ Due date for issue of notice, notification, sanction order, filing of appeal, furnishing of return, statements, applications and time limit for any compliance under GST, Central Excise, Service tax and Customs, where it is expiring between 20 March 2020 to 29 June 2020, has been extended till 30 June 2020.
- ▶ 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.
- ▶ Basic customs duty and health cess exemption has been granted on import of ventilators, masks, PPE, COVID-19 testing kits etc. (subject to condition prescribed).
- ▶ Foreign trade policy and export promotion schemes have been extended till 31 March 2021. Further, due dates for various compliances have been extended.
- ▶ 24X7 clearances at all customs stations till 30 June 2020 to address any congestion, delay or surge on account of prevailing condition.

\*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\***

- ▶ All due dates for filing tax returns, notices, appeals and making investments for claiming various tax deductions falling during the period 20 March 2020 to 29 June 2020 has been extended to 30 June 2020.
- ▶ Delay in payment of income-tax up to 30 June 2020 will be subject to reduced interest rates. Further, for such delayed payment until 30 June 2020, there will be no levy of penalty or late fee or initiation of prosecution.
- ▶ Requirement of beginning activity of manufacture or production of article or things for newly established units in Special Economic Zone has been extended to 30 June 2020.
- ▶ The deadline for Aadhar-Permanent Account Number (PAN) linking requirement shall also be extended from 31 March 2020 to 30 June 2020. Thus, PAN shall not be treated as inoperative till after 30 June 2020, even if not linked with Aadhar.
- ▶ Deferment of date of applicability of reporting of GAAR and GST particulars in Tax Audit Report in Form 3CD from 31 March 2020 to 31 March 2021 in view of COVID-19 pandemic.
- ▶ Any donation made to PM Cares Fund shall be eligible for 100% deduction.
- ▶ Validity of nil/lower withholding tax orders obtained for tax year 2019-20 extended until 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. 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 until 30 June 2020 or disposal of application, whichever is earlier.
- ▶ The Tamil Nadu government has resolved to implement a special incentives package to the manufacture of ventilators, PPE kits, N-95 masks, Multi Para Monitors and anti malarial and anti viral drugs used in the management of COVID-19.
- ▶ CBDT has deferred the implementation of revamped registration procedure for approval/registration/notification of specified charitable and research institutions. CBDT has highlighted that tax authority will not have any communication with the taxpayer which may have adverse effect on the taxpayer until further orders are issued.
- ▶ Due dates of incentives claims under Telangana state IIPP 2010-15, T-IDEA and T-PRIDE schemes falling between lockdown period from 22 March 2020 to 15 April 2020 have been extended up to 31 May 2020.
- ▶ Due date for furnishing tax returns for taxpayers (corporate and non-corporate) shall be extended till 30 November 2020.
- ▶ Due date of furnishing tax audit report for tax year 2019-20 shall be extended from 30 September 2020 to 31 October 2020.
- ▶ Benefit of settlement under Vivad se Vishwas Act 2020 without payment of additional amount shall be extended till 31 December 2020
- ▶ Period of limitation for income tax assessments getting time barred on certain specified dates shall be extended.
- ▶ Rates of withholding/collection of tax shall be reduced by 25% (for non-salary payments).

**Other measures\***

- ▶ On 26 March 2020, India announced US\$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, etc.
- ▶ The Reserve Bank of India has announced several measures such as Reduction in the policy repo rate under the Liquidity Adjustment Facility (LAF). Measures introduced to expand liquidity to ensure smooth functioning of financial institutions, including Targeted Long Term Repo Operations (TLTROs); reduction in Cash Reserve Ratio (CRR); Marginal Standing Facility raised from 2% to 3% with immediate effect and is applicable up to 30 June 2020; Policy Rate Corridor has been widened from 50 basis points to 65 basis points. Measures undertaken to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic Lending institutions permitted to allow moratorium of three months on repayment of installments for term loans outstanding as on 1 March 2020. Deferment of three months on payment of interest w.r.t all working capital facilities outstanding as of 1 March 2020.
- ▶ To make India self-reliant, several structural reforms have been proposed covering eight sectors i.e., i) Coal (ii) Mineral (iii) Defence (iv) Civil Aviation (v) Power (vi) Social Infrastructure (vii) Space (viii) Atomic energy related reforms.
- ▶ Additional announcements were made on ease of doing business, such as announcement of strategic sectors for public sector enterprises, decriminalization of Companies Act violations, revisions in insolvency proceeding criteria etc.

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

## Links and resources

### Government materials

- ▶ <http://egazette.nic.in/WriteReadData/2020/218979.pdf>
- ▶ [https://www.epfindia.gov.in/site\\_docs/PDFs/Circulars/Y2020-2021/GraceperiodMarch2020.pdf](https://www.epfindia.gov.in/site_docs/PDFs/Circulars/Y2020-2021/GraceperiodMarch2020.pdf)
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-31-central-tax-english-2020.pdf>
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-33-central-tax-english-2020.pdf>
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-33-central-tax-english-2020.pdf>
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-35-central-tax-english-2020.pdf>
- ▶ [https://incometaxindia.gov.in/Lists/Latest%20News/Attachments/394/order-us119-f.no.-275-25-2020-it\(b\)-15g-15h-forms-0304.pdf](https://incometaxindia.gov.in/Lists/Latest%20News/Attachments/394/order-us119-f.no.-275-25-2020-it(b)-15g-15h-forms-0304.pdf)
- ▶ <https://www.incometaxindia.gov.in/Documents/THE-TAXATION-AND-OTHER-LAWS-RELAXATION-OF CERTAIN-PROVISIONS-ORDINANCE-2020.pdf>
- ▶ <https://pib.nic.in/newsite/PrintRelease.aspx?relid=200868>
- ▶ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1608345>
- ▶ <http://egazette.nic.in/WriteReadData/2020/218950.pdf>
- ▶ <https://www.pfrda.org.in/myauth/admin/showimg.cshtml?ID=1704>
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-30-central-tax-english-2020.pdf>
- ▶ <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs20-2020.pdf>
- ▶ <https://dgft.gov.in/sites/default/files/Notification%2057%20eng%20signed%20and%20scanned%201.pdf>
- ▶ <https://dgft.gov.in/sites/default/files/PN%2067%20%28englis h%29%20signed%20and%20scanned-1.pdf>
- ▶ [https://www.incometaxindia.gov.in/communications/circular/circular\\_no\\_10\\_2020.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_no_10_2020.pdf)
- ▶ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1608585>
- ▶ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1615349>
- ▶ <https://pib.gov.in/PressReleaseSelfFramePage.aspx?PRID=1618658>
- ▶ <https://pib.gov.in/PressReleasePage.aspx?PRID=1623601>
- ▶ <https://pib.gov.in/newsite/PrintRelease.aspx?relid=203988>
- ▶ <https://www.financialexpress.com/industry/sme/tamil-nadu-offers-incentives-to-promote-production-of-covid-19-combat-gears/1917443/>
- ▶ <http://www.industries.telangana.gov.in/Library/Covid-19%20Extension%20of%20Incentives%20Apply.pdf>
- ▶ <https://pib.gov.in/PressReleasePage.aspx?PRID=1623601>
- ▶ <https://pib.gov.in/PressReleasePage.aspx?PRID=1623601>
- ▶ <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1623585>
- ▶ <https://pib.gov.in/PressReleasePage.aspx?PRID=1623745>

## Overview

- ▶ On 27 April 2020, the Minister of Finance (MOF) issued another update on the tax stimulus package due to the COVID-19 outbreak. The following key relevant programs are available for six months:
  - ▶ Employee Income Tax borne by the Government.
  - ▶ Import tax exemptions.
  - ▶ 30% reduction of CIT installments.
  - ▶ Advance VAT refund claims.
  - ▶ Small-Medium Enterprise Tax borne by the Government.
- ▶ Key non-tax strategies include (1) improved export and import procedures, and (2) banks restructuring and rescheduling loans.
- ▶ The Government issued a Regulation In Lieu of Laws on 31 March 2020 and is in effect immediately<sup>1</sup>, which includes the following changes of tax policies:
  - ▶ Reduced CIT rate.
  - ▶ Implementation of taxes on the digital economy.
  - ▶ Extended timeline on time limit or deadline for tax refund process, tax objection letter submission, tax objection process, administrative penalty relief that falls within the "force majeure" period<sup>2</sup>.
  - ▶ MOF is authorized to determine policy related to import tax duty exemption.

## Personal tax

- ▶ Employee income tax will be borne by the government for the tax period of April to September 2020, and is available for:
  - ▶ Companies that are registered under any of 440 sector codes (which are predominantly manufacturing); and/or
  - ▶ Companies that are registered as export oriented companies (KITE status); and
  - ▶ Any employees whose regular income does not exceed IDR200 million (US\$13,000) per year.
- ▶ Extension of annual individual tax return filing timeline
  - ▶ Late payment and filing of individual tax returns from 1 April to 30 April 2020 are exempt from penalty.

## VAT, GST and trade

- ▶ Advance VAT refunds of up to IDR5billion (US\$330,000) (without automatic tax audit) for the tax period from April to September 2020 is available for qualified companies that are:
  - ▶ Registered under any of 431 business sector codes.
  - ▶ Registered as export-oriented Companies (KITE status).
  - ▶ Certain qualified Bonded Zone Organizer or Enterprise.
- ▶ New VAT imposition mechanism on foreign VAT-able intangible goods and/or VAT-able services utilized in Indonesia done through e-commerce business<sup>1</sup>. The responsibility to collect, remit and report the 10% VAT in Indonesia is shifted to the foreign digital or e-commerce companies or domestic e-commerce companies, appointed by the Minister of Finance (MOF). Implementation is effective 1 July 2020.

<sup>1</sup> Law No. 2 Year 2020 has been issued to permanently enforce the GR in lie of Law.

<sup>2</sup> Force majeure period is currently governed covering period starting 28 January to 29 May 2020.

## Business tax

- ▶ 30% reduction of CIT installments (deferral) and/or income tax exemption on importation (which serves as CIT prepayment) are available for the following qualified companies for the tax period of April until September 2020.
  - ▶ Registered under the prescribed business sector codes, i.e. 846 business sectors for 30% CIT installment and 431 business sectors for import tax exemption; or
  - ▶ Registered as Export-Oriented Companies (KITE status); or
  - ▶ Certain qualified Bonded Zone Organizer or Enterprise.
- ▶ CIT rate reduction from 25% to 22% for tax years 2020 and 2021 and to 20% for tax year 2022 and onwards. Additional reduction of 3% of CIT rate applies for certain qualified listed companies on IDX.
- ▶ Extension of the timeline or deadline for tax objection submissions, and completion of tax refund, tax objection and administrative penalty waiver/relief, the timeline/deadline of which falls within the “force majeure” period<sup>2</sup>. The activities of Tax Court are suspended for the period of 17 March - 1 June 2020.
- ▶ Employee income tax will be borne by the Government for the tax period of April to September 2020, and is available for:
  - ▶ Companies that are registered under any of 1,062 sector codes; or
  - ▶ Companies that are registered as Export Oriented Companies (KITE status); or
  - ▶ Certain qualified Bonded Zone Organizer or Enterprise; AND
  - ▶ Employee's regular income up to the amount of IDR200 million (cUSD13k) per year.
- ▶ New concept of permanent establishment (PE)<sup>1</sup>. International sellers, international service providers, or international e-commerce platform providers that actively offer and/or conduct activities with consumers domiciled in Indonesia may be deemed to have a PE in Indonesia if they exceed certain thresholds with respect to (a) consolidated group gross revenue, (b) revenue derived from Indonesia and/or (c) number of active users in Indonesia. If the PE definition under a treaty overrides this domestic law, an electronic transaction tax (ETT) is imposed to tax income sourced from Indonesia. Implementing regulations in respect of the types of transactions, thresholds, rate of ETT and other administrative arrangements are still yet to be issued.

## Other measures

- ▶ Indonesia's Financial Service Authority also issued a guidance on simplification of loan application and rescheduling processes, which among others, primarily targets small and medium-sized enterprises.

## Links and resources

Government materials in Bahasa:

- ▶ <https://www.pajak.go.id/id/siaran-pers/kebijakan-perpajakan-sehubungan-dengan-penyebaran-virus-corona>
- ▶ <https://www.pajak.go.id/id/peraturan-menteri-keuangan-nomor-44pmk032020>
- ▶ <https://www.pajak.go.id/id/peraturan-pemerintah-pengganti-undang-undang-republik-indonesia-nomor-1-tahun-2020>
- ▶ <https://www.ojk.go.id/id/regulasi/Pages/Stimulus-Perekonomian-Nasional-Sebagai-Kebijakan-Countercyclical-Dampak-Penyebaran-Coronavirus-Disease-2019.aspx>

EY materials

- ▶ [https://www.ey.com/en\\_id/tax-service](https://www.ey.com/en_id/tax-service)
- ▶ [https://assets.ey.com/content/dam/ey-sites/ey-com/en\\_id/topics/tax/tax-library/ey-indonesia-tax-alert-6-april\\_2020.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/en_id/topics/tax/tax-library/ey-indonesia-tax-alert-6-april_2020.pdf)

<sup>1</sup> Law No. 2 Year 2020 has been issued to permanently enforce the GR in lie of Law.

<sup>2</sup> Force majeure period is currently governed covering period starting 28 January to 29 May 2020.

- ▶ Contact: Ali Samara - Tax
- ▶ Contact: Asmaa Ali - Tax Desk
- ▶ Last updated: 23 March 2020

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

[Return to jurisdiction list](#)

| Overview  | Personal tax | VAT, GST and trade | Business tax | Other measures | Links and resources |
|---|--------------|--------------------|--------------|----------------|---------------------|
| <ul style="list-style-type: none"><li>▶ Waiver of penalties applicable to the late payment of the February 2020 social security contributions, which were due by the end of March 2020.</li></ul> |              |                    |              |                |                     |

## 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 tapered 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 26 March 2020.
  - ▶ For employees with previous average net pay less than €412 per week (equivalent to almost €24,400) the subsidy will be increased from 70% to 85% of their previous net weekly pay. For employees with previous average net pay between €412 and €500 per week (equivalent to €24,400-€31,000), the subsidy will be up to €350 per week.
  - ▶ 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 three 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.
  - ▶ Lending will be provided to SMEs through Strategic Banking Corporation of Ireland (SCBI) to provide liquidity to these firms. Part of these loans will be targeted at working capital and future growth.

## Overview (continued)

- ▶ €180m for Enterprise Supports including a Rescue and Restructuring Scheme as part of the Extension of the Rescue and Restructuring Scheme 2017 available through Enterprise Ireland for vulnerable but viable firms that need to restructure or transform their business. The funding is open to all Enterprise Ireland, IDA and Údarás na Gaeltachta clients and other companies employing ten or more in the manufacturing and internationally traded services sector.
  - ▶ These funds will be a distinct offer of funding support via a repayable advance which would only be provided where all SBCI/bank options have been fully exhausted.
- ▶ Additional funds have been made available to Microfinance Ireland as an immediate measure to specifically deal with exceptional circumstances that micro-enterprises - (sole traders and firms with up to nine 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 six 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.
- ▶ The government has also announced a Credit Guarantee Scheme (CGS) to help SMEs impacted by COVID-19 related issues to have access to sufficient working capital. The CGS will provide counter guarantees to the banks, mitigating credit risk or need for collateral. The purpose of the CGS is to encourage additional lending to SMEs by offering a partial Government guarantee (currently 80%) to banks against losses on qualifying loans to eligible SMEs. The CGS does not substitute for conventional lending that would otherwise have taken place.

## 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 program - 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

- ▶ For SMEs, the application of interest on late payments has been suspended for January/February and March/April VAT 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

- ▶ 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 installment 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/72ecf5-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 NIS6 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. The loan amount that can be extended will be up to 16% of turnover for companies with an annual turnover of up to NIS25 million ,or 8% of turnover for companies with a higher annual turnover, and up to a maximal amount of NIS20 million.
- ▶ The large enterprises program is designated for Israeli businesses with an annual turnover higher than NIS200 million, to which the loan amount can be the higher of 8% of turnover and NIS100m, and for tech companies - the higher of 8% of turnover or expenses (excluding interest expenses), up to NIS100 million. The scheme requires a minimal employment of at least 100 employees in Israel and that at least 50% of the business' manufacturing assets or IP are registered/recorded in Israel. It also requires that the company did not receive a loan under the COVID-19 SMEs parallel scheme.
- ▶ The company should be able to present a causal link between the business flow difficulties and working capital needs and the outbreak of the virus.
- ▶ Loans will be extended at 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.).
- ▶ **COVID-19 High-tech companies rescue plan**
- ▶ The IIA published a fast-track grants program for high-tech companies hit by the COVID-19 economic crisis, with a fast response and, as needed, a 50% down payment. The program is aimed at small start-ups and medium-sized companies with significant assets (IP, high value, fundraising, customer, etc.) that are in a flow crisis for the next 12 months. A budget of up to NIS 5 million can be submitted to a startup or up to NIS15 million to a medium-sized company. The grant rate is between 20%-50%, with additional 10% for certain areas.

### ▶ Fixed costs: cash grants for small businesses and self-employed

- ▶ The Israel Government announced that NIS5 billion will be extended as business aid grants for participation in fixed costs, that will be extended to dealers that their turnover in 2019 exceeded NIS 18,000 and did not exceed NIS 20 million (and for an individual dealer - his 2019 turnover exceeded NIS300,000 and did not exceed NIS 20 million), if the March - April 2020 turnover decreased by more than 25% compared to the same period last year (and if such decrease was caused by the economic damage due to the pandemic).
- ▶ The model divides small businesses into three groups (based on the 2019 turnover data), and sets a certain "allocation key" to determine the compensation rate to the business. The maximal compensation is NIS400K.
- ▶ **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 (second stage)**
- ▶ Under certain conditions, the Israeli Government will extend special grants to self-employed and controlling shareholders who are individuals if their taxable income did not exceed NIS1m in 2018 and if there was a 25% decrease in turnover during March-May compared to the same period in 2019 . Grants are expected to be up to 70% of the decrease in turnover, limited to NIS10,700.

## Personal tax

### Income tax and social security deadlines and extensions

- ▶ 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 to April 2020 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 following VAT deadlines are extended:

- ▶ VAT filings and payments - for VAT dealers that report on a monthly basis, the deadline for February was extended until 26 March 2020. For VAT dealers that report on a bi-monthly basis, the deadline for February is extended until 18 May 2020.
- ▶ March (monthly) VAT filings and payments were deferred to until April 2020.
- ▶ April (monthly) VAT filings and payments are currently deferred until 18 May 2020..
- ▶ On 27 March 2020, the Israeli Government approved emergency regulations (the "Regulations") that define the period between 22 March to 31 May 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 30 April 2020 are extended until 31 May 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

### EY materials

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

### Government materials

- ▶ <https://www.btl.gov.il/English%20Homepage/about/news/Pages/All-coronavirus-related.aspx>
- ▶ [https://www.gov.il/en/departments/news/press\\_16032020\\_b](https://www.gov.il/en/departments/news/press_16032020_b)

## Overview

- ▶ Law Decree n. 18/2020, dubbed "Heal Italy", was published in the Official Gazette on 17 March 2020 and became immediately effective (Decree). The Decree was then converted into Law n. 27/2020 and published in the Official Gazette on 29 April 2020.
- ▶ The Decree provides for a stimulus package including tax and other measures for EUR 25 billion and public guarantees to the banking system originally expected to generate injection of new liquidity for EUR 340 billion (but new set of liquidity rules were then introduced by the below mentioned Liquidity Decree).
- ▶ 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 self-employed.
- ▶ The package provides additional measures including deferring up to 20 March 2020 (then extended to 16 April 2020 by the Liquidity Decree) 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. 23/2020, 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 secure public guarantees covering up to 100% of banking loans. The public guarantee system (which integrates the measures introduced by the aforesaid Heal Italy Decree) should generate an injection of new liquidity for EUR 400 billion and should, among other measures, cover 100% of banking loans up to EUR 800,000 for small and medium enterprises (up to 499 employees), 90% for enterprises with no more than 5,000 employees with EUR 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 2 March and 31 March 2020 by the 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 installments). Payments of WHT on employment income and social security contributions due on the period between 2 March and 30 April 2020 by self-employed and enterprises of qualified business sectors (e.g. tourism, sport, entertainment, art, culture, education, transport, food, no-profit) is deferred to 31 May 2020 (in full or in five equal monthly installments). WHTs on income derived till 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 5 equal monthly installments).
- ▶ **Forecast method** - Taxpayers can rely on the forecast method to pay FY2020 personal tax advance payments (vs the historical method based on previous FY incomes). In 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 expense of EUR 20,000. Implementing instructions need to be issued.
- ▶ **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 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.
- ▶ 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, Brescia, 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 the self-employed and enterprises with 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 installments). 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.
- ▶ **Electronic invoicing** - The 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 five equal monthly installments). Payment of WHT on employment income and social security contributions due on the period between 2 March and 30 April 2020 by self-employed and enterprises of qualified business sectors (e.g. tourism, sport, entertainment, art, culture, education, transport, food, no-profit) is deferred to 31 May 2020 (in full or in five equal monthly installments). These payments are deferred to 31 May 2020 (in full or 5 equal monthly installments). 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 five equal monthly installments). 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 EUR50 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 five equal monthly installments). 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 that started their activities after 31 March 2019.
- ▶ **Forecast method** - 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=20G0003400000010110001&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=20G0003400000010110001&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>

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

[Return to jurisdiction list](#)

## 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/>

Find the most current version of this tracker on [ey.com](https://www.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>▶ The Government of Jamaica announced a J\$25 billion fiscal stimulus package consisting of a \$15 billion tax reduction and a J\$10 billion spending program. Additionally, there would be a J\$650 million compassionate grant.</li> <li>▶ 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.</li> <li>▶ The Government also announced the deferral of principal and interest payments on student loans for a three month period from April to June 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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 (the date of first COVID-19 case in Jamaica) and before 30 June 2020.</li> <li>▶ The provision of COVID-19 Grants to marginally self employed and informally employed.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Waiver of Customs Duty on the importation of masks, gloves, hand sanitizers and liquid hand soap for a 90 day period.</li> <li>▶ 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.</li> <li>▶ 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\$1.5 million.</li> <li>▶ Provision of direct support to small businesses - all small businesses with sales of J\$50 million 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-19 small business grant of J\$100,000.</li> <li>▶ 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%.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ The Government of Jamaica' s March 2020 National Budget Presentation also announced the following revenue measures:             <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Easing of 50% of regulatory fees payable to certain public institutions.</li> <li>▶ Introduction of a tax credit of J\$375,000 for companies with annual revenue/sales equal to or less than J\$500 million.</li> </ul> </li> </ul> |                     |

| Overview  | Personal tax  | VAT, GST and trade  | Business tax   | Links and resources  |
|---|---|---|--|--|
| <ul style="list-style-type: none"> <li>▶ On 27 February 2020, in light of the COVID-19 pandemic, the National Tax Agency of Japan announced individual income tax and gift tax returns and payments extensions, and delayed individual consumption tax filing deadlines and payments.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ On 30 April 2020, a bill for the stimulus package was enacted, following its passage by the Japanese Diet.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Flexible extension of the filing and payment of individual income tax and gift tax returns is available for those individuals affected by COVID-19.</li> <li>▶ Individual business income tax payments can be deferred for up to a year without interest and collateral, if gross income decreases by 20% or more.</li> <li>▶ Non-refundable tickets for certain canceled events are subject to deduction/tax credit.</li> <li>▶ The conditions of the home mortgage tax credit is relaxed.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The flexible extension of the filing and payment of consumption tax returns is available for those individuals affected by COVID-19.</li> <li>▶ Consumption tax payments can be deferred for up to one year without interest and collateral if gross income decreases by 20% or more.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ Investment in high-productivity buildings and structures are added to the scope of lower property tax.</li> <li>▶ Duty suspension and accelerated, simplified import/export processes for donated relief goods.</li> <li>▶ Flexible treatment may be permitted on a case-by-case basis with respect to various customs deadlines and requirements.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Corporate tax payments can be deferred for up to a year without interest and collateral if gross income decreases by 20% or more.</li> <li>▶ Corporations with common capital of JPY1 billion (US\$10 million) or less (except those controlled by another company with common capital of more than JPY1 billion (US\$10 million)) are eligible for one year NOL carry-back.</li> <li>▶ Certain telework equipment introduced in accordance with certified investment plan is eligible for 7-10% tax credit or 100% accelerated depreciation.</li> <li>▶ Stamp duty is not imposed on loan agreements if associated with COVID-19 related loans.</li> </ul> | <p><b>EY Materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="#">Japan Enacts Tax Measures in Response To COVID-19</a></li> </ul> |

## 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.
- ▶ On 30 April 2020, Defense Order No. 10 was released and stated that:
  - ▶ The income tax filing and payment deadline for the year ended 31 December 2019 are extended till 30 June 2020 for both corporations and individuals.
  - ▶ The due dates for remitting the withholding tax applicable to local services and imported services have also been extended to 30 June 2020.

## Personal tax

- ❖ Personal income tax filing and payment due dates have been extended to 30 June 2020.

## 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

- ▶ Corporate income tax filing and payment due dates have been extended till 30 June 2020.
- ▶ The due dates for remitting the 5% withholding tax applicable to local services and the 10% withholding tax applicable to imported services have been extended to 30 June 2020.

## Links and resources

### EY Materials

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

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

[Return to jurisdiction list](#)

## 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-

## Other measures

- ▶ Tax rate adjustment coefficient "0" has been established for the following taxes:
  - ▶ Social Tax
  - ▶ Obligatory Pension Fund Contributions
  - ▶ Obligatory Professional Pension Fund Contributions
  - ▶ Obligatory Social Insurance Contributions
  - ▶ Employees and Employers Obligatory Social Medical Insurance Contributions

## Links and resources

### Government materials

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

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

[Return to jurisdiction list](#)

## 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

- ▶ A reduction in the main rate of VAT from 16% to 14%, has been approved by Kenya's Parliament and was effective 1 April 2020.
- ▶ The Kenya Revenue Authority (KRA) to expedite the payment of all verified VAT refund claims amounting to KES 10 Billion within three weeks.

## Business tax

- ▶ A reduction in Corporate Income Tax (CIT) from 30% to 25% has been approved by Kenya's Parliament.
- ▶ 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](https://www.centralbank.go.ke) President's Speech, 25 March 2020

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>▶ Emergency measures have been adopted in Kosovo to prevent and limit the spread of COVID-19.</li> <li>▶ The government of Kosovo has declared a “state of public health emergency” and from 23 March 2020 has decided to restrict the movement of citizens as a measure to prevent the spread of COVID-19.</li> <li>▶ The Government of Kosovo has introduced a financial aid package for the handling of the COVID-19 situation. The package contains 15 provisions and totals nearly €180 million.</li> </ul> | <ul style="list-style-type: none"> <li>▶ So far, no measures are yet public or approved on personal taxation.</li> <li>▶ Pursuant to Law No.06/L-005 on Property Tax, the Minister of Finance and Transfers issued a 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Minister of Finance and Transfers of the Republic of Kosovo, in order to implement Decision no. 01/07 and 01/09 of the Government of the Republic of Kosovo for taking additional measures for the situation created because of COVID-19, has decided to extend until 30 June 2020 the deadline for payment of taxes as follows:               <ul style="list-style-type: none"> <li>▶ Third quarterly tax statement and contributions for large individual businesses</li> <li>▶ Third quarterly tax statement and contributions for small individual businesses</li> <li>▶ Third quarterly statement of advance payment for Large Corporations</li> <li>▶ Third quarterly statement of advance payment for Small Corporations.</li> </ul> </li> <li>▶ The deadline for declaration, reporting and payment of obligations is extended until 15 May 2020 for the following types of taxes and contributions:               <ul style="list-style-type: none"> <li>▶ Statement of withholding and payment of tax</li> <li>▶ Overview of pension contributions and payment form</li> <li>▶ Statement of source and interest payment, property right, lease, lottery victories and non-resident person</li> </ul> </li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://mf.rks-gov.net/page.aspx?id=2,1">https://mf.rks-gov.net/page.aspx?id=2,1</a></li> </ul> |

## Business tax (continued)

- ▶ VAT declaration and payment form
- ▶ Annual income tax return
- ▶ annual corporate income tax returns
- ▶ annual partnership statements
- ▶ refund / refund request
- ▶ reporting the purchase and sale book
- ▶ transaction reporting over €500
- ▶ Taxpayers who are in financial difficulties due to pandemics can apply for installment payment agreements, and based on the evidence presented, the Tax Administration of Kosovo can enable such a form of payment for these types of taxes by reserving to itself the right to verify each case after the completion of the measures in force.
- ▶ Pursuant to Law No.06/L-005 on Property Tax, the Minister of Finance and Transfers issued a 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.
- ▶ Are exempt from customs duties and VAT are 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.

## Links and resources

### Government materials

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

- ▶ Contact: Alok Chugh - Tax
- ▶ Contact: Asmaa Ali - Tax Desk
- ▶ Last updated: 18 May 2020

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

[Return to jurisdiction list](#)

| Overview   | Personal tax | VAT, GST and trade   | Business tax   | Links and resources |
|--|--------------|--|--|---------------------|
| <p>On 11 May 2020, the Kuwait Direct Investment Promotion Authority (KDIPA) introduced major amendments to further support the investors in this time of need. The amendments aim to support the local economy and ensure continuity of business operations in Kuwait by providing multiple incentives to the investors, including:</p> <ul style="list-style-type: none"> <li>▶ Extension of the tax and customs incentives to all KDIPA registered entities.</li> <li>▶ Revision of the mechanism for granting tax exemptions, with the following key amendments: <ul style="list-style-type: none"> <li>▶ Definitions and related provisions for granting tax exemption</li> <li>▶ Social responsibility and environmental sustainability scheme</li> <li>▶ Deadline for submitting the tax exemption report</li> </ul> </li> <li>▶ Reduction in service fee by 50%.</li> </ul> |              | <ul style="list-style-type: none"> <li>▶ Extension of the customs incentives to KPIDA licensed and prospective investors for the fiscal year 2020 as per Decision No. 173 of 2020 (dated 4 May 2020).</li> </ul> | <ul style="list-style-type: none"> <li>▶ Extension of the tax incentives to KPIDA licensed and prospective investors for the fiscal year 2020 as per Decision No. 173 of 2020 (dated 4 May 2020).</li> <li>▶ Revision of the mechanism for granting tax exemptions as per Decision No. 180 of 2020 (dated 6 May 2020). This includes: <ul style="list-style-type: none"> <li>▶ Defining National Labor and Training of National Labor, granting 20% annual exemption for the transfer and indigenization of technology</li> <li>▶ Amendment to the tax exemption granting mechanism for investors participating in corporate social responsibility (CSR) and environmental sustainability (ES) activities</li> <li>▶ Submission of the tax exemption report shall be no later than 31 December following the end of the taxable period for which it is submitted.</li> </ul> </li> <li>▶ Reduction of KDIPA fees for all its services by 50% until 31 December 2020 as per resolution No. 105 of 2020 (dated 6 May 2020).</li> </ul> |                     |

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>▶ 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 taxpayer 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> |                    |              |                     |

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

[Return to jurisdiction list](#)

| Overview  | Personal tax  | GST, VAT and trade  | Business tax   | Links and Resources   |
|---|---|---|--|---|
| <ul style="list-style-type: none"> <li>▶ Responding to COVID-19 spread and its impact on the Laotian economy (and in particular on the tourism and 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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. US \$550) per month, for a period of 3 months (April, May and June 2020).</li> <li>▶ Postponement of the payment of Social Security contributions for companies impacted by COVID-19 for a period of three months (April, May, June 2020).</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Companies operating in tourism sector are provided with a tax filing postponement of three months, starting April;</li> <li>▶ The deadline for filing 2019 financial statements submission has been postponed from 31 March to 30 April 2020.</li> <li>▶ Payment of the road tax fee has been postponed from 31 March to 30 April 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Exemption of Income Tax for micro-enterprises for a period of three months (April, May and June 2020).</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.mof.gov.la/">https://www.mof.gov.la/</a></li> <li>▶ <a href="http://taxservice.mof.gov.la/">http://taxservice.mof.gov.la/</a></li> </ul> |

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 12 March 2020, the Government declared a state of emergency in Latvia until 14 April.
- ▶ 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 EUR700 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 EUR500 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 EUR500 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-apstiprinavienotu-likumu-visiem-pasakumiem-covid-19-izplatibas-ierobezosanai>

## Overview

- ▶ Extension of certain tax declarations and payment deadlines.
- ▶ Postponement of the compliance deadlines for all taxes and duties, that are not extended by other decisions, which fall during the period from 1 March 2020 until the date on which the Council of Ministers decides to seize the general mobilization decision.
- ▶ Submission of the taxpayers compliance documentation to different tax departments by email communication.
- ▶ 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.
- ▶ Extension of contributions settlement deadline and social security forms submission deadlines for 2019.
- ▶ Extension of the Quarterly Employees' Income tax declaration (R10) submission and its related payment for the first Quarter of 2020.
- ▶ Extension of the deadline to submit the Value Added Tax declaration, its related payment and refund request form for the first quarter of 2020.
- ▶ Extension of the deadline to submit the personal annual employees' income tax (Form R8) to 29 May 2020.
- ▶ Extension of the deadline for submitting annual tax declarations for the year 2019 and settling the related taxes for individuals, partnerships and tax-exempted organizations following the accrual basis to 29 May 2020.

## Personal tax

- ▶ On 11 March 2020, the Ministry of Finance issued a Decision related to the submission of the taxpayers' compliance documentation to different tax departments by email communication (a list of emails were included in this Decision).
- ▶ On 18 March 2020, the Ministry of Finance released a Decision related to the extension of the annual employees' income tax declarations and payment (if any) related to the year 2019 till 31 March 2020.
- ▶ On 22 March 2020, a decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decides to seize the general mobilization decision.
- ▶ 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.
- ▶ On 15 April 2020, a Decision was released by the MOF to extend to submit the Quarterly Employees' Income tax declaration (R10) and its related payment for the first quarter of 2020 till 15 May 2020.
- ▶ On 30 April 2020, a Decision was released by the MOF to extend the deadline to submit the personal annual employees' income tax (Form R8) to 29 May 2020.

## VAT, GST and trade

- ▶ On 11 March 2020, the Ministry of Finance released a Decision related to the submission of the taxpayers' compliance documentation to the department of Value Added Tax (VAT) by email;
- ▶ On 22 March 2020, a Decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decide to seize the general mobilization decision.
- ▶ On 15 April 2020, a Decision was released by the MOF to extend the deadline to submit the Value Added Tax declaration, its related payment and refund request form for the first quarter of 2020 to 15 May 2020.

## Business tax

- ▶ On 11 March 2020, the Ministry of Finance issued a Decision related to the submission of the taxpayers' compliance documentation to different tax departments by email communication (a list of emails were included in this Decision).
- ▶ On 20 March 2020, a decision was released by the Ministry of Finance to extend the deadline for submitting FY 2019 annual tax declarations and settling the related taxes for individuals, partnerships and tax-exempted organizations following the accrual basis till 30 April 2020;
- ▶ On 22 March 2020, a decision was released by the Ministry of Finance to hold any compliance deadline (not extended by other decisions) for all taxes and duties, that fall during the period from 1 March 2020 until the date the Council of Ministers decide to seize the general mobilization decision.
- ▶ 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.
- ▶ On 30 April 2020, a Decision was released by the MOF to extend the deadline for submitting annual tax declarations for the year 2019 and settling the related taxes for individuals, partnerships and tax-exempted organizations following the accrual basis to 29 May 2020.

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

- ▶ The government has announced the lockout of the non-food retail business and consumer services which is effective from 16 March, and has been recently extended to 13 April 2020.
- ▶ 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 two 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 Luxembourg government announced a set of tax and non-tax measures as further detailed:

### Direct taxes:

#### For individuals:

- ▶ Cancellation upon request of personal income tax ("PIT") advances payments for the first two quarters of 2020;
- ▶ Alternatively, reduction of the amount of the advances to be paid rather than a cancellation;
- ▶ Postponement upon request of the PIT payments due on or after 1 March 2020 (without computation of interest for late payment);
- ▶ Deadline for filing the 2019 income tax return is postponed to 30 June 2020 for individuals; and,
- ▶ Suspension of days limitation for Belgian, French and German teleworkers to avoid taxation by country of residence.

#### For companies:

- ▶ Cancellation upon request of corporate income tax ("CIT") and municipal business tax ("MBT") advances payments (not for net worth tax ("NWT") for the first two quarters of 2020;
- ▶ Alternatively, reduction of the amount of the advances to be paid rather than a cancellation;
- ▶ Postponement upon request of the CIT, MBT and NWT payments due on or after 1 March 2020 (without computation of interest for late payment); and,
- ▶ Deadline for filing the 2019 corporate tax returns is postponed to 30 June 2020 for companies.

### Payroll/payroll taxes measures:

- ▶ Suspension of enforcement measures by Social Security Center for late filing/late payments;
- ▶ Short-term employment due to force majeure (80% of salaries paid by the State during unemployment);
- ▶ Suspension of trial period for employees on short time work due to force majeure; and,

- ▶ Advance on monetary compensation for the special leave for family reasons and sickness.

### VAT measures:

- ▶ Delay for the payment of VAT upon request
- ▶ Accelerated refund of VAT credits not exceeding EUR 10,000; and,
- ▶ No penalties for late filing of VAT returns.

### Other measures:

- ▶ Repayable advance up to EUR 500,000 to cover operating costs of enterprises financially impacted by COVID-19;
- ▶ Non-reimbursable cash grants of EUR 5,000;
- ▶ 85% state-backed guarantee for new bank loans to corporations up to maximum 6 years;
- ▶ "Special Anti-Crisis Financing" via companies' banks and SNCI;
- ▶ Suspension of payment terms for debts payables by Luxembourg businesses;
- ▶ Support to enterprises reorienting to the production of masks and hydro-alcoholic gel;
- ▶ Aid for industrial research and development of project helping to combat the COVID-19 pandemic;
- ▶ Emergency compensation for self-employed persons;
- ▶ General aid measures
- ▶ Companies exporting goods and services;
- ▶ Specific measures for companies with respect to shareholders' and board meetings;
- ▶ Suspension of the time limits in jurisdictional matters;
- ▶ Extension filing deadline for publication to RCS of standalone and 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 COVID-19 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 COVID-19 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.

### Cross-border workers between Germany and Luxembourg

- ▶ On 3 April 2020, the competent authorities of Luxembourg and Germany signed an agreement with respect to article 14, par. 1 of the Luxembourg-Germany double tax treaty: the days worked from home in Germany by a German cross-border worker should be considered as worked from Luxembourg if, absent the COVID-19 crisis, the person concerned would have exercised his activity in Luxembourg. This fiction only applies to employees working from home in the framework of the measures taken in order to avoid the spread of COVID-19. The employees whose labor contract foresees homework as a general rule are not covered. The agreement applies from 11 March to 30 April. It will automatically be extended from month to month until it is denounced by one of the competent authorities.

## VAT, GST and trade

### Indirect tax measures:

- ▶ Upon request, delays for the payment of VAT can be granted to taxable persons liable to VAT (legal persons and individuals) and to non-taxable legal persons identified for VAT purposes facing financial difficulties due to the COVID-19 crisis and wishing to benefit from the tax measures decided by the Luxembourg Government to face the spread of COVID-19.
- ▶ 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 companies:

- ▶ 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.

### Payroll/Payroll Tax:

- ▶ Suspension of enforcement measures by Social Security Center for late filing/late payments:
  - ▶ 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).
- ▶ Short time work due to force majeure:
  - ▶ As per the Luxembourg Labor Code, businesses are entitled to rely on various types of short-time work in the event of force majeure under certain conditions. It applies in principle to all sectors of the economy if the causes invoked are directly related to COVID-19.
  - ▶ Upon approval of a monthly application for short term working, the Employment Fund (*Fonds pour*

*l'Emploi*) refunds 80% of salaries to the employers by the State (up to 2.5 times the minimum salary for an unskilled employee) for a maximum of 1,022 hours per employee per year. The compensation paid by the employer to the employee who is covered by the short-time working scheme cannot be less than the minimum social salary for unskilled employees.

- ▶ Suspension of trial period for employees on short time work due to force majeure:
  - ▶ Trial period of employees on short time work arrangements is suspended during the state of crisis.
- ▶ Advance on monetary compensation for the special leave for family reasons and sickness:
  - ▶ 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.
  - ▶ Direct payment by the Social Security Center of the salaries of employees on sick leave, removing the need to pre-finance by the employer and removing the remaining 20% cost liability.

## Other measures

### Repayable advance up to EUR 500,000 to cover operating costs of enterprises financially impacted by COVID-19

- ▶ The aid foreseen by the law dated 3 April 2020 is granted under the form of a recoverable cash advance and is subject to three conditions, being:
  - ▶ 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,
  - ▶ that the enterprise faces temporary financial problems, and
  - ▶ 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 cover personnel and rental expenses (up to max: EUR 10.000 per month and for the whole group) for the months falling within the period of the unforeseeable event i.e., from 15 March to 15 May 2020.
- ▶ 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.
- ▶ Reimbursement starts at the earliest 12 months after the cash grant has been paid.

### Non-reimbursable cash grants of EUR 5,000

- ▶ Enterprises and self-employed persons should fulfill the cumulative conditions hereafter: (i) valid business license issued before 18 March 2020 and whose total number of staff does not exceed 9 (in full-time positions); (ii) enterprises and self-employed persons which were obliged to stop their activities in accordance with grand-ducal regulation of 18 March 2020 and (iii) minimum annual turnover of EUR 15.000.
- ▶ Immediate and non-refundable financial aid of €5,000.
- ▶ 85% state-backed guarantee for new bank loans to corporations up to maximum six years

- ▶ Commercial, craft or industrial enterprises duly authorized to run a business in Luxembourg (excluding enterprises with the following activities: promotion, renting, etc. of real-estate, holding of participations), legal entity or person exercising a determined liberal profession and cooperative companies in the agricultural and winemaking sector may benefit from a State-backed guarantee for loans with maximum maturity of six years granted by credit institutions between 18 March 2020 and 31 December 2020 to qualifying enterprises in difficulty due to COVID-19.
- ▶ State guarantees up to 85% with a maximum cap of 25% of the 2019 enterprises' turnover.

### "Special Anti-Crisis Financing" (SACF) via companies' banks and SNCI

- ▶ Luxembourg SMEs and large companies which have a business permit may benefit from indirect financing via the company's usual bank - the SNCI finances up to 60% of the required amount, provided that the bank finances 40%.
- ▶ Amount of SACF (financed by the SNCI) can vary between €12,500 and €10,000,000. Maximum SACF duration is five years with an initial grace period on the repayment of capital of maximum two years.

### Suspension of payment terms for debts payables by Luxembourg businesses

- ▶ Suspension of payment terms for debts payables by Luxembourg businesses due between 31 March 2020 and 30 June 2020 for indirect and direct loans granted by SNCI and automatic prorogation by six months of such loans.

## Other measures (continued)

### Support to enterprises reorienting to the production of masks and hydro-alcoholic gel

- ▶ To meet the increasing need of protection masks and hydro-alcoholic gel, the General Directorate for Middle Classes has decided to support enterprises that reorient their productions lines to produce these essential elements during the health crisis.
- ▶ 100% of the investment costs linked to the reorientation will be taken over by the General Directorate for Middle Classes through the "de minimis" aid.

### Aid scheme to sustain both industrial research and experimental development projects and investment projects allowing the production and development of products helping to combat the COVID-19 pandemic

- ▶ Eligible R&D projects may for example be the research on and development of medical devices or focused on hospital equipment such as ventilators, protection equipment or disinfectants, as well as innovation of processes allowing a more efficient manufacturing of required products. Such a project may be sustained up to 80% of the costs, or even 100% if it is a fundamental research project.
- ▶ Eligible investment projects may concern the production of products relevant to combat COVID-19, medical devices, medical and hospital equipment. Such an investment project may benefit from an aid up to 80% of the investment cost. It may be increased by 15% if the investment project is entirely realized within two months. In the framework of this investment aid, the enterprise may also request a coverage of potential losses stemming from this investment. The amount of the coverage depends on the duration of the continuation of the production, it is however limited to 30% of the loss and a maximum amount of €500,000.

### Emergency compensation for self-employed persons

- ▶ Self-employed persons, i.e., any person who mainly exercises for his or her own account a commercial, craft or intellectual activity (certain activities and professions are excluded), who holds more than 25% of the interest in partnership or a private limited liability company with commercial,

craft or intellectual activity and who holds a business license or who is director, general partner or executive of a public limited liability company, a partnership limited by shares or a cooperative company with commercial, craft or intellectual activity and who holds a business license, may be granted a one-time lump-sum and tax-exempt grant of €2,500.

- ▶ This aid cannot be cumulated with the non-reimbursable cash grants.
- ▶ The following conditions must be met:
  - ▶ The self-employed person must be affiliated as such on 15 March 2020.
  - ▶ He must hold the required authorizations for the activity carried out as self-employed person.
  - ▶ The professional income used for calculating social security contributions may not exceed 2.5 times the minimum salary.
  - ▶ Total number of employees does not exceed 10.
  - ▶ Direct causal link between the COVID-19 and the temporary financial problems.

### General aid measures

- ▶ Investments in hygiene may be included in applications for the investment aid (available for small and medium-sized businesses only) from the Luxembourg government. Amount of the aid cannot exceed 20% of eligible costs for small enterprises and 10% of eligible costs for medium-sized enterprises.
- ▶ Enterprises investing in infrastructures aimed to set up a teleworking system can submit a request for financial aid in the context of the general investment aid scheme available to SMEs.
- ▶ 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.

## Other measures (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 COVID-19. 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 COVID-19. In addition, COVID-19 has no impact on existing coverages. Eligibility for compensation depends, among others, on the product of coverage and compliance with the compensation requirements.

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

- ▶ 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.
- ▶ 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.

### 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.

## 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>;
- ▶ [https://www.ey.com/en\\_gl/tax-alerts/luxembourg-announces-economic-stabilization-and-stimulus-package](https://www.ey.com/en_gl/tax-alerts/luxembourg-announces-economic-stabilization-and-stimulus-package).

### 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\\_Juridictionnelle/index.html](http://mj.public.lu/actualites/2020/03/Suspension_Juridictionnelle/index.html);
- ▶ <https://www.chd.lu/wps/portal/public/Accueil/TravailALaChambre/Recherche/RoleDesAffaires?action=doDocpaDetails&id=7540>;
- ▶ <https://www.chd.lu/wps/portal/public/Accueil/TravailALaChambre/Recherche/RoleDesAffaires?action=doDocpaDetails&id=7541>;
- ▶ <http://www.aed.public.lu/actualites/2020/04/Covid19delpaiement/index.html>;

## Overview

On 18 March 2020, the President of North Macedonia has declared state of emergency that was effective until 18 April. Later, the state of emergency was extended until 17 May 2020. The Government has adopted the economic measures for the business sector as a result of the impact of COVID-19 on 25 March, 4 April, 6 April, 7 April and 24 April 2020.

**Financial support for salaries:** Effective as of 7 April 2020, companies may apply for financial support for payment of salaries to their employees for April and May for an amount of up to MKD 14.500 per employee per month provided that the following conditions are met:

- ▶ The company should not distribute any dividends and provide any bonuses or other awards to its employees and members of the management and supervisory boards in the between 7 April 2020 until the date of payment of the salary for May 2020.
- ▶ The taxpayer's revenue for April or May is reduced for at least 30% in comparison with the average monthly revenue in the previous year.
- ▶ At most 10% of the employees of the company may have a net salary that exceeds the amount of MKD 120.000 per employee in the month financial aid is granted.
- ▶ The number of employees as it stands as at the date of enforcement of the regulation should not be reduced until July 2020.

Provided that the employer meets the criteria listed above, the financial support will not apply for the employees:

- ▶ That have received a monthly net salary exceeding the amount of MKD 39,900 for December 2019, January and February 2020.
- ▶ That are subsidized for social security contributions during the state of emergency
- ▶ Who are exempt from payment of personal income tax and social security contributions based on the Law of Employment and insurance against non-employment;
- ▶ For non-fully employed employees that are already fully employed with another employer.

## Financial aid for social security contributions

Effective as of 6 April 2020, companies may apply for subsidy for the amount of 50% of the social security contributions payable for April, May and June 2020 but not more than 50% of the social security contributions payable on the employee average monthly gross salary, under the following conditions:

- ▶ The taxpayer's revenue is reduced for at least 30% in April, May or June in comparison with the average monthly revenue in the previous year
- ▶ The number of employees should not be reduced for April, May and June 2020 in comparison with the number of employees as at 31 March 2020 except in case of retirement or death of the employee
- ▶ The company should not distribute any dividends and provide any bonuses or other awards to its employees and members of the management and supervisory boards in the between 6 April 2020 until the date of submission of the annual accounts/financial statements for 2020
- ▶ This measure will not apply for any company that is granted with financial support for salary payment for April and May 2020 or the company is subsidized for the social security contributions as a result of increasing of the salary based on the Law for subsidizing of social security contributions.

## Liquidity and financing: COVID-19 Liquidity loans for companies from certain sectors of business

- ▶ Direct financial support to micro, small and medium-sized companies that perform business activity in tourism, transport, hospitality sector, by the Development Bank of North Macedonia for a total amount of EUR 5.7 million in the form of 0% interest rate loans.
- ▶ The financing has maturity of 24 months with a six-month grace period.
- ▶ The incentive was open for applications until 25 April 2020.

## Overview

### Liquidity and financing: COVID-19 Liquidity loans from the Commercial Banks

- ▶ The Development Bank of North Macedonia will provide EUR50 million as zero interest rate loans to the commercial banks. These loans will be provided to small and medium companies to support their financial liquidity with an interest rate of approx. 1,5%.
- ▶ The above is still not adopted.
- ▶ The Development Bank of North Macedonia will provide a direct financial support to micro, small and medium-sized companies for a total amount of EUR 8 million in the form of 0% interest rate loans.
- ▶ The financing has maturity of up to 36 months with a 12-month grace period. Each company, depending on its number of employees, can receive zero interest loans from EUR 3,000 to EUR 90,000.
- ▶ The application process opened on 29 April 2020.

## Personal tax

Self-employed income taxpayers in tourism, transport and hospitality sector will be exempt from paying personal income tax (PIT) advances for March - May 2020 under the following criteria:

- ▶ The tax payer should not reduce the number of employees, as it stands as at the date of entry into force of this regulation until three months after the expiry of its validity, except in cases of death, retirement or dismissal by employees.

In addition, self-employed income taxpayers that do not perform one of the above-mentioned business activities may be also exempt from paying advance PIT payments for March - May 2020, provided that:

- ▶ The taxpayer's total revenue is reduced for at least 40% in the current month compared to February 2020, or the total revenue for 2020 is reduced for at least 40% in comparison with the same period in the previous year, or
- ▶ The number of employees who do not work or do not contribute to the economic activity of the taxpayer-employer, shall be at least 25% lower than the total number of employees in February 2020, or
- ▶ The taxpayer has closed at least 50% of its points of sale (branches, retail facilities).

## VAT, GST and trade

- ▶ Companies may issue and send electronic invoices (pdf format) without electronic signature during the State of Emergency.

## Business tax

- ▶ Companies that perform business activity in tourism, transport, hospitality sector and other companies affected by COVID-19 measures are exempt from paying corporate income tax (CIT) advances for a period of three months (April - June 2020) under certain conditions.
- ▶ Effective 4 April 2020, reduction of the installments and rescheduling of lending provided by financial and leasing companies is envisaged.
- ▶ Decrease of the late penalty interest for public debts from 0.03% to 0.015% per day.
- ▶ Deadlines defined in the Law on Administrative procedure will be extended after the period of emergency expires.
- ▶ Public Revenue Office will not publish the list of the taxpayers that have unsettled debts.
- ▶ Banks will extend the deadlines for settling of loans granted to citizens and companies affected by the crisis for a period of three to six months.
- ▶ Effective as of 1 April, the Enforcement Law is suspended until 30 June.
- ▶ Bankruptcy procedures should not be initiated during the period of the state of emergency and following the period of three months after the expiration of this period.
- ▶ As of 3 April 2020 the legal penalty interest rate is determined based on the reference interest rate published by the National Bank plus 5% (decreased from 10%) for legal entities or plus 4% (decreased from 8%) for individuals.

## Other measures

- ▶ Bankruptcy procedures should not be initiated during the period of the state of emergency and following the period of three months after the expiration of this period.
- ▶ Deadlines defined in the Law on Administrative procedure will be extended after the period of emergency expires.
- ▶ Exemption from customs duties for importation of flour, sunflower oil, white sugar, soaps, detergents, medical gloves and other medical supplies and equipment.
- ▶ Public Revenue Office will not publish the list of the taxpayers that have unsettled tax debts.
- ▶ Banks will extend the deadlines for settling of loans granted to citizens and companies affected by the crisis for a period of three to six months.
- ▶ Effective as of 1 April 2020, the Enforcement Law is suspended until 30 June.
- ▶ The legal penalty interest rate will be determined based on the reference interest rate published by the National Bank plus 5% (decreased from 10%) for legal entities or plus 4% (decreased from 8%) for individuals. This measure is effective as of 3 April.
- ▶ The legal penalty interest rate will be determined based on the reference interest rate published by the National Bank plus 5% (decreased from 10%) for legal entities or plus 4% (decreased from 8%) for individuals. If the debt is in foreign value the interest rate is determined as EURIBOR that has been determined for the last month, plus 5% for legal entities or plus 4% for individuals.

## Links and resources

### Government materials

- ▶ <http://www.slvesnik.com.mk/issues/7648c4c4c7f14c829d9ed7126203a391.pdf>
- ▶ <http://www.slvesnik.com.mk/issues/52c3586ab1434cd7b159d3a7ab29cfae.pdf>
- ▶ <https://www.mbdp.com.mk/mk/vesti/635-1-covid2>

## 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
- ▶ On 6 April 2020, the Malaysian government announced an additional RM10bn (approx. US\$2.32bn) stimulus package to support businesses, particularly SMEs. The aim of this stimulus package is to alleviate the cashflow burden of SMEs and to incentivize SMEs to retain employees during the MCO.
- ▶ On 10 April 2020, the Malaysian government announced the extension of the MCO period from 14 April 2020 to 28 April 2020 (inclusive). On 23 April 2020, it was announced that the MCO has been further extended, to 12 May 2020.
- ▶ First Economic Stimulus Package (27 February 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
  - ▶ An RM500m co-investment fund for investments alongside private investors in early-stage and growth-stage Malaysian companies

## Overview (continued)

- ▶ First Economic Stimulus Package (27 February 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.
  - ▶ RM100 million allocation to the Human Resources Development Fund (“HRDF”) for grants to train and upskill affected employees
  - ▶ RM500 million allocation for travel vouchers, grants and tourism promotion
  - ▶ RM2 billion allocated to federal, state and local governments for small infrastructure repair, maintenance and upgrading projects
  - ▶ An RM500 million co-investment fund for investments alongside private investors in early-stage and growth-stage Malaysian companies
- ▶ Second Economic Stimulus Package (27 March 2020)
  - ▶ 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 salaries of the employees of service contractors such as cleaning services and supply of cooked food; cash disbursements for certain groups (B40 and M40 household income group, students, e-hailing drivers)
    - ▶ RM25 million allocation for food and shelter for the people in need (e.g. senior citizens, children in shelter homes, disabled persons, homeless, etc.)
  - ▶ 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; six 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); RM1.16 billion (food security); RM2 billion (public infrastructure)
- ▶ Third Economic Stimulus Package (6 April 2020)
  - ▶ For SMEs:
    - ▶ Enhanced Wage Subsidy Program (WSP): Increased allocation for from RM5.9bn to RM13.8bn (approx. US\$1.37 billion to US\$ 3.2bn). A three-tiered WSP (based on the number of employees of the eligible company). This measure is to encourage employee retention.
    - ▶ Financial assistance initiatives: “Prihatin Special Grant” (special grant for eligible micro SMEs; and Micro Credit Scheme (soft loans at 0% interest rate for micro businesses).
    - ▶ Rental exemptions or discounts for SMEs - properties owned by the Government-Linked and several State Government-Owned Companies
  - ▶ Reduction of foreign worker levy by 25% for work permits that expire between 1 April 2020 to 31 December 2020.
  - ▶ 30-day extension for submission of statutory documents to the Companies Commission of Malaysia (“CCM”).
  - ▶ Three-month extension from the end of MCO for submission of financial statements to the CCM (for companies with financial year ending between 30 September 2019 and 31 December 2019).

## Personal tax

- ▶ Personal tax relief of up to RM1,000 on domestic tourism expenditures.
- ▶ 2 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
- ▶ Property owners who rent their properties to SMEs with a reduced rent (of at least 30% of the original rental amount) from April 2020 to June 2020 will be given a further deduction equivalent to the reduction in rental for the said period

## 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
  - ▶ All other businesses: 1 April 2020 to 31 May 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
- ▶ Double deduction for training expenses for hotel and tour operators
- ▶ Deduction/allowance on personal protective equipment provided to employees
- ▶ Property owners who rent their properties to SMEs with a reduced rent (of at least 30% of the original rental amount) from April 2020 to June 2020 will be given a further deduction equivalent to the reduction in rental for the said period
- ▶ 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
- ▶ Stamp duty exemption on loan restructuring and rescheduling agreements
- ▶ 2 month extended grace period for companies to electronically file their 2019 income tax returns (for companies with financial year ending July 31 to Dec 31)
- ▶ Extension of time for CbCR submission:
  - ▶ CbCR filing: Submission due on 31 March 2020 (extended until 15 May 2020; Due on 30 April 2020 (extended until 31 May 2020)
  - ▶ CbCR notification: Submission due on 31 March 2020 and 30 April 2020 (extended until 31 May 2020).

## 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) will be expanded to include Supply Chain Management, Strategic Procurement Operation and Total Support Solutions effective 1 April 2020.
- ▶ The approval process for such value-added activities performed by manufacturers with LMW status 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. The RMCD has released a set of guidelines to provide further clarity on the type of activities that can be carried out, the respective prescribed conditions which are required to be fulfilled depending on the type of activity conducted, as well as the application process to obtain approval to conduct such activities.
- ▶ 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 were due on 31 March 2020.
- ▶ Exemption from payment of import duty and sales tax:
  - ▶ 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)
- ▶ Exemption from payment of import duty, excise duty and sales tax on specific raw materials (i.e., undenatured ethyl alcohol and denatured ethyl) which are used for the manufacturing of hand sanitizer under the HS code 3808.94.9000, effective 30 March 2020. An application along with the relevant supporting documents are required to be submitted to the Ministry of Finance.
- ▶ Extension of time until 30 April 2020 for any indirect tax returns that are due on 31 March 2020.
- ▶ Full remission of penalty will be granted for payments for the relevant indirect taxes and levy (i.e., specifically, sales tax or service tax via Form SST-02, imported taxable service tax via Form SST-02A, tourism tax via Form TTX-03 and departure levy via Form DL-02) which are received **before** 13 May 2020. This remission of penalty applies exclusively for the taxable periods which ended on 29 February 2020 and 31 March 2020.
- ▶ A maximum price for face masks has been set, pursuant to the Price Control and Anti-Profiteering Act 2011.

## Links and resources

### EY Materials

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

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

[Return to jurisdiction list](#)

## 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 COVID-19 outbreak.
- ▶ A moratorium of six months on capital and interest repayments on credit facilities may be requested by eligible persons.
- ▶ Interest rate subsidies of up to a maximum of 2.5% will also be granted on working capital loans for up to two years.
- ▶ 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 taxes will be settled in four equal monthly installments 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 installments with the quarterly returns immediately following the quarter whose dues would have been deferred.
- ▶ Beneficiaries of the scheme not having quarterly periods, should settle the deferred VAT in two equal installments as follows:
  - ▶ for VAT due in March 2020, by 15 June 2020 and 15 September 2020.
  - ▶ for VAT due in April 2020, by 15 July 2020 and 15 October 2020.
- ▶ Duty on all excise goods and services payable on various dates during the month of:
  - ▶ April 2020 will become due 60 days later, but not later than 28 June 2020.
  - ▶ May 2020 will become due 60 days later, but not later than 26 July 2020.

## 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 installments 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://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 10 March 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   | Personal tax   | VAT, GST and trade  | Business tax  | Links and resources  |
|--|--|---|---|--|
| <ul style="list-style-type: none"> <li>▶ The Tax and Federal Courts released an official statement to suspend labor activities in the Court from 18 March until 29 May 2020 due to COVID-19 related measures. This also means that the deadlines for the lawsuits will be extended for the same period of time.</li> <li>▶ The Tax Administration Service has announced the suspension of deadlines from 4 to 29 May 2020 due to COVID-19. This measure applies to all procedures that cannot be made electronically, including administrative appeals, ongoing tax audits and permits. This suspension does not apply to the filing of tax returns, notices and reports, payment of taxes, levies and proceeds, tax refunds, administrative-law enforcement actions, customs procedures and assistance to taxpayers.</li> <li>▶ The Bank of Mexico has implemented measures to "foster an orderly behavior of financial markets, strengthen the credit channels and provide liquidity for the sound development of the financial system", by lowering the interbank interest rate by 50 basis points to 6%, and with liquidity and credit moves that will support the functioning of the financial system for up to 750 billion pesos (US\$30.8 billion).</li> <li>▶ The Ministry of Treasury and Public Credit has announced jointly with the National Insurance and Bonding Commission the possibility for insurance entities to extend deadlines for payment of insurance premiums for up to 60 days.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The Federal Government announced on 22 April 2020 that it will be extending the deadline to file individual tax returns for FY2019 until 30 June 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ As a result of feedback from the private sector, the government will now accelerate the payment of VAT refunds. The legal period for obtaining VAT refunds is 40 days. However, in the recent past, some taxpayers have found that this time period has been extended by the tax authorities. The President's public statement did not address whether the 40-day time frame will be reduced, or if tax authorities will simply abide by that term.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Local incentives for state taxes such as relief or deadline extensions may be available in some States (18 out of 31). The range of measures has been diverse, from extensions to file and pay taxes, to waivers on certain state taxes such as wage tax, property tax, vehicle registration, hotel tax, among others.</li> <li>▶ Possibility to defer social security payments for up to 48 months, prior agreement with the Mexican Institute for Social Security (IMSS), and upon a 20% upfront payment for the employer quota and 100% of the worker quota. No posting of a bond or other kind of guarantee is needed. The monthly interest rate ranges between 1.26% and 1.82%.</li> <li>▶ The National Workers Housing Fund Institute (INFONAVIT) will give SME (up to 250 employees) an extension for the housing contributions corresponding to the second and third bimesters (i.e., period of two months) until September 2020.</li> </ul> | <p><u>Government materials</u></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.gob.mx/ims/s/prensa/com-191-h-consejo-tecnico-del-imss-difunde-instrumentos-legales-y-administrativos-para-facilitar-pago-de-cuotas-obrero-patronales?idiom=es">https://www.gob.mx/ims/s/prensa/com-191-h-consejo-tecnico-del-imss-difunde-instrumentos-legales-y-administrativos-para-facilitar-pago-de-cuotas-obrero-patronales?idiom=es</a></li> <li>▶ <a href="https://news.trust.org/item/20200421175707-1dig4/">https://news.trust.org/item/20200421175707-1dig4/</a></li> <li>▶ <a href="https://www.banxico.org.mx/publicaciones-y-prensa/miscelaneos/%7B1E8E5322-7086-9563-570C-412659ECB292%7D.pdf">https://www.banxico.org.mx/publicaciones-y-prensa/miscelaneos/%7B1E8E5322-7086-9563-570C-412659ECB292%7D.pdf</a></li> <li>▶ <a href="https://www.elfinanciero.com.mx/economia/sat-extiende-limite-para-presentar-declaracion-de-personas-fisicas-al-30-de-junio">https://www.elfinanciero.com.mx/economia/sat-extiende-limite-para-presentar-declaracion-de-personas-fisicas-al-30-de-junio</a></li> <li>▶ <a href="https://www.gob.mx/shcp/prensa/comunicado-no-041">https://www.gob.mx/shcp/prensa/comunicado-no-041</a></li> </ul> |

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Moldovan Parliament has 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 COVID-19 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 three 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 canceled.
- ▶ 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>

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

[Return to jurisdiction list](#)

## Overview

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

## Personal tax

- ▶ Subsidies for closed and vulnerable business activities from 50% to 100% of the minimum salary for each registered employee
- ▶ Payment of taxes and contributions on salaries is postponed for 90 days
- ▶ PIT return filing extended to 15 May 2020.

## VAT, GST and trade

- ▶ VAT refund requested will be realized within a maximum of 45 days.
- ▶ Customs Administration will extend customs guarantee limit for deferred payment of customs debt from 30 to 60 days for the months of April and May, for the entities engaged in activities prohibited by the order of the Ministry of Health.
- ▶ VAT and customs duty are not payable upon the import of donated medical equipment.

## Business tax

- ▶ FS and CIT return filing has been extended to 15 April 2020.

## Links and resources

### Government materials

- ▶ <http://www.gov.me/en/News/223089/Government-adopts-new-economic-measures-Goal-is-to-make-life-easier-for-citizens-and-help-economy-during-coronavirus-pandemic.html>
- ▶ <http://www.poreskauprava.gov.me/vijesti/223115/SAOPsTENJE-Mjere-za-podrsku-privredi-odlaganje-placanja-poreskih-obaveza-po-osnovu-zarada-zaposlenima-i-po-osnovu-reprograma-do.html>
- ▶ <http://www.poreskauprava.gov.me/vijesti/222970/OBAVJEsTENJE-PRODUzEN-ROK-ZA-PODNOsENJE-FINANSIJSKIH-ISKAZA-I-PRIJAVA-POREZA-NA-DOBIT-DO-15-APRILA-2020-GODINE.html>
- ▶ <http://www.poreskauprava.gov.me/vijesti/223420/ROK-ZA-PODNOsENJE-GODIsNJE-PRIJAVE-POREZA-DOHODAK-FIZIcKIH-LICA-PRODUzEN-DO-15-MAJA-2020-GODINE.html>
- ▶ <http://www.gov.me/en/News/223687/PM-Markovic-presents-Government-s-new-package-of-economic-measures-to-recover-from-coronavirus-pandemic-Recovery-path-will-not-b.html>

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

[Return to jurisdiction list](#)

## 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 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 2020 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

- ▶ The Government of Mozambique approved, following ratification of the State of Emergency, through Decree n.º23/2020 dated 27 April 2020, a number of fiscal and customs measures in support of economic agents and taxpayers, with the objective of mitigating the economic impact of COVID-19.

## Personal tax measures

- ▶ Under the Decree n.º23/2020, taxpayers under Personal Income Tax (PIT) who earn income from business and professional activities (2nd category of PIT) are released from the advance payment installments obligations.
- ▶ These measures apply to taxpayers whose annual turnover in 2019 did not exceed the amount of 2.5 million meticaís (approx. US\$37,000) and do not have any outstanding tax issues. In order to benefit from the above measures, taxpayers must file an application with the Minister of Finance.
- ▶ The measures are valid until 31 December 2020.

## VAT, GST and trade

- ▶ The Decree n.º 23/2020 also sets forth certain fiscal and customs measures, namely a speedier process with respect to the importation of certain goods and exceptional fiscal measures.

### Customs measures

- ▶ The customs measures allow for goods used for the prevention and treatment of COVID-19 to be released from customs prior to the conclusion of the customs clearance process, by means of the presentation of a term of undertaking, confirmation of the domicile of the economic agent and the destination of the goods.

### VAT measures

- ▶ Under VAT, the Decree sets forth the possibility of compensating outstanding taxes, fines and interest, with VAT credits that the taxpayer may have.
- ▶ These measures are also valid until 31 December 2020 and are subject to further regulations in order to establish the implementation procedures.

## Business tax

- ▶ Under the Decree n.º23/2020, Corporate Income Tax (CIT) taxpayers are released from the payment of the advance payment installments for the financial year that are due in the months of May, July and September.
- ▶ In addition, taxpayers have the prerogative to postpone the installments of the special advance payment due in June, August and October to January, February and March of 2021.
- ▶ These measures apply to taxpayers whose annual turnover in 2019 did not exceed the amount of 2.5 million meticaís (approx. US\$37,000) and do not have any outstanding tax issues. In order to benefit from the above measures, taxpayers must file an application with the Minister of Finance.
- ▶ The measures are valid until 31 December 2020.

## Links and resources

### EY materials

- ▶ <https://globaltaxnews.ey.com/news/2020-5657-mozambique-introduces-tax-and-customs-measures-to-mitigate-covid-19-impact>

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

[Return to jurisdiction list](#)

## 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 three 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 six months to one 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 interest to 0.01%.
- ▶ Reduction of collection interest to 0.01% for three months as of 1 June 2020 and 1 July 2020 for PIT.
- ▶ Loss carry-back available via the formation of a Corona-reserve.
- ▶ Amendment of the preliminary tax assessment.
- ▶ Temporary Emergency Bridging Measure for Sustained Employment (NOW); Emergency fund to compensate salary costs for businesses that expect a 20% or more decrease of turnover.
- ▶ Compensation payment of EUR 4,000 to certain businesses in affected sectors (TOGS).
- ▶ Compensation self-employed professionals (entrepreneurs) to the social minimum (Tozo).
- ▶ Extension of various credit guarantees schemes by the government to tackle difficulties companies face with getting a loan (BMKB, GO, BL, Credits).
- ▶ Additional (flexible) Dutch Customs measures.

## Personal tax

- ▶ The Dutch tax authorities will grant extension of payment for three 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. Only required to file one request for extension in which you explicitly ask for extension for wage tax, PIT/CIT/VAT and Health Insurance Act. All the future tax assessments will also be covered under and during this special COVID-extension of three months.
- ▶ Reduction of tax interest to 0.01%
- ▶ Reduction of collection interest to 0.01% for three months as of 1 June 2020 and 1 July 2020 for PIT.
- ▶ For wage tax, the omission penalty for non/late payment will not be imposed or will be waived if extension of payment is requested.
- ▶ Relaxation of the 1225 hours criterion for entrepreneurs for claiming entrepreneurial facilities for the 2020 PIT return.
- ▶ The customary wage ("gebruikelijk loon") will temporarily (2020) be lowered for companies impacted by COVID-19.
- ▶ 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 tax already paid.

## VAT, GST and trade

- ▶ The Dutch tax authorities will grant extension of payment for three 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. Only required to file 1 request for extension in which you explicitly ask for extension for wage tax, PIT/CIT/VAT and Health Insurance Act. For environmental taxes, and excise separate requests for extension need to be filed. All the future tax assessments will also be covered under and during this special COVID-extension of three months.
- ▶ Reduction of tax interest to 0.01%
- ▶ Reduction of collection interest to 0.01% for three months as of 1 June 2020.
- ▶ For VAT, the omission penalty for non/late payment will not be imposed or will be waived if extension of payment is requested.
- ▶ No VAT on the supply (i.e., by an agency) of medical staff for designated medical facilities.
- ▶ Effective from 25 May 2020, there will temporarily be no VAT due on medical and non-medical face masks.

## VAT, GST and trade (continued)

### For customs duty and other import taxes

- ▶ For customs duty and other import taxes, an executive regulation is being drafted. This will possibly also cover extension of payment. 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.

### License holders

- ▶ Individual exceptions for companies not meeting the standard requirements for denatured alcohol if used for medical disinfectant gels
- ▶ Reduction or full exemption of bank guarantees
- ▶ Extension of current license applications that cannot be completed
- ▶ Tailored treatment of urgent requests for licenses (based on individual circumstances)

## Business tax

- ▶ The Dutch tax authorities will grant extension of payment for three 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. Only required to file 1 request for extension in which you explicitly ask for extension for wage tax, PIT/CIT/VAT and Health Insurance Act. For gambling tax, insurance tax, landlord tax, environmental taxes (i.e., energy tax, coal tax, waste tax) and excise separate extension requests need to be filed. All the future tax assessments will also be covered under and during this special COVID-19 extension of three months.
- ▶ Possibility of forming a Corona-reserve in determining the taxable profit for 2019. Companies will be able to take into account a loss they expect to incur in fiscal year 2020.
- ▶ Reduction of tax interest to 0.01%
- ▶ Reduction of collection interest to 0.01% for three months as of 1 June 2020.
- ▶ 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.
- ▶ The Work Related Cost Scheme (WRCS) allows certain IT related equipment to be provided to employees tax free (including an allowance for internet costs) as long as the equipment is required to perform the job, i.e., the 'necessity criterion'.

## Links and resources

### Government materials

- ▶ [Government: Dutch government adopts package of new measures designed to save jobs and the economy](#)
- ▶ [Government: The coronavirus and your company](#)
- ▶ [Government: The coronavirus FAQ for entrepreneurs](#)

### EY materials

- ▶ [EY global Tax Alert](#)
- ▶ [COVID-19: EY Government Support Package The Netherlands \(April 30th\)](#)
- ▶ [Tax Alert Dutch Government updated tax legislative measures in response of COVID-19](#)
- ▶ [Tax Alert: Dutch Government announces new tax measures \(April 24th\)](#)
- ▶ [Tax Alert tax measures payment extension and reduced tax and collection interest rates \(April 29th\)](#)
- ▶ [Corona crisis: local and environmental taxes](#)

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

[Return to jurisdiction list](#)

## Overview

- ▶ **Wage subsidies - introduced 17 March 2020** - to qualify, 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. 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. The same measures will be available for those who are self-employed and working as contractors. On 14 May 2020, the Government announced an extension to the wage subsidy for a further eight weeks (as part of Budget 2020). The extension is only available to businesses that have experienced a 50% or more revenue reduction for the 30-day period prior to the application date versus the nearest comparable period last year. Applications for the extended subsidy will be open for applications from 10 June 2020.
- ▶ A sick leave scheme exists to support workers that are at greater risk from COVID-19 and those who need to self-isolate (have had close contact with or contracted COVID-19), providing a payment equivalent to the wage subsidy for eligible workers. The scheme has been extensively modified since it was first introduced. The scheme requires the same 30% decline in revenue as the wage subsidy, or evidence to show that the employer's ability to support their workers has been negatively impacted by COVID-19.
- ▶ The Government has provided two loan schemes to provide additional funding for struggling businesses. The Business Finance Guarantee Scheme announced on 24 March, targeted at medium and larger businesses (turnover between 250,000 and 80m pa) with up to \$500,000 provided through retail banks; and a Small Business Cashflow Loan scheme announced 1 May for Small and Medium business (employing less than 50 staff full time and eligible for wage subsidy) providing up to \$100,000 in Government loans.
- ▶ The Government has released the 2020 Budget which announces a \$50b COVID-19 Response and Recovery Fund. Some of this \$50 billion recovery fund has already been spent as part of already announced measures, other allocations are made within the Budget and around \$20 billion is still to be allocated over the coming weeks and months.

## Personal tax

- ▶ The provisional tax threshold, which determines the requirement to pre-pay taxes, has been raised from \$2,500 RIT to \$5,000. The change will take effect for the 2020/21 income year and is expected to result in 95,000 fewer taxpayers needing to pre-pay their taxes.
- ▶ A discretionary power has been introduced to allow the Commissioner of Inland Revenue greater flexibility to modify timeframes or procedural requirements for taxpayers who are impacted by COVID-19. This power is not tax-type limited, and applies to all taxpayers impacted by COVID-19.
- ▶ Inland Revenue has clarified that employers can provide employees with a \$15 a week tax free allowance for business related costs, and can reimburse employees up to \$400 for business related furniture, on a tax-exempt basis.

## VAT, GST and trade

- ▶ Taxpayers that have difficulty paying outstanding taxes may set up an installment arrangement, obtain deferrals or get debts written-off due to serious hardship.
- ▶ New Zealand Customs Authority has payment deferral options available in some cases, and penalties and interest applicable to late paid duties arising on or after 25 March 2020, can be remitted if payment is constrained due to COVID-19 for up to two years.
- ▶ 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 COVID-19 may also be relieved.
- ▶ The law has been clarified that GST does not apply on the wage subsidies discussed above.

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

[Return to jurisdiction list](#)

## Business tax

- ▶ **Re-introduction of depreciation on commercial buildings:** Depreciation deductions at 2% diminishing value or 1.5% straight line have been 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 taxes payable for the 2020-21 income year with a reciprocal impact on provisional taxes payable immediately. There are also deferred tax accounting implications of the reintroduction.
- ▶ **UOMI write off:** There is a new process to remit Use of Money Interest (UOMI) payable on or after 14 February for impacted businesses. The new 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.
- ▶ **Low value assets:** The current \$500 low-value asset threshold has been changed to \$5,000 to allow businesses to deduct upfront the cost of assets purchased rather than depreciate. The threshold increase applies from 17 March 2020, but will reduce to \$1,000 from 17 March 2021.
- ▶ **R&D measures:** The rules that allow R&D tax credit refunds have been made 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). In addition, Budget 2020 allocates \$150 million to a new short-term loan scheme to incentivise businesses to continue R&D projects which might otherwise be shut down due to COVID-19.
- ▶ **Feasibility expenditure:** Budget 2020 confirms the Government's commitment to expanding the deductibility of certain feasibility expenditure.
- ▶ **Tax loss carry-back scheme:** Measures introduced to allow taxpayers expecting a loss during the 2019/20 or 2020/21 years to obtain a refund of prior year taxes paid by carrying back the loss to the immediately preceding profit year. Carry-back and offset can be based on estimated loss for the current year, but any over-estimate (resulting in taxes that need to be repaid) will result in use of money interest.
- ▶ **Loss continuity rules:** Changes have been announced to relax the rules that allow for carry forward of tax losses, by introducing a "same or similar" business test from the 2020/21 income year, the legislation for this is expected to be introduced later in 2020.

## Other measures

### Financial relief:

- ▶ Mortgages and business loans will be eligible for repayment Holidays from 26 March 2020 for 6 months.
- ▶ A **Business Finance Guarantee scheme** provides for loans up to \$500,000 for 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.
- ▶ From 12 May 2020, Inland Revenue can provide loans of up to \$100,000, to eligible organisations, who satisfy the strict terms and conditions of the **Small Business Cashflow Loan Scheme**. Eligibility criteria include: that organisations must be eligible for the wage subsidy scheme (e.g. 30% decline in revenue); must have 50 or fewer FTE employees; and must use the funds only for operating costs. Loans are interest free if repaid within one year, otherwise are subject to 3% interest, with a maximum term of five years.

### Regulatory relief:

- ▶ Legislative changes will be made to retrospectively provide a 'safe harbour' from insolvency duties under the Companies Act, aimed to provide relief to Directors from the risks of trading while insolvent.
- ▶ Changes will also be made to allow businesses to place existing debts into hibernation, until they are able to start trading normally again. Subject to certain conditions.
- ▶ Changes will be made to relieve businesses of certain regulatory requirements and Companies Office filings.
- ▶ Changes will be made to provide relief for commercial tenants, through extensions of lease cancellation periods, and could require landlords to negotiate with tenants on rent reductions.

## 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>
- ▶ <https://www.beehive.govt.nz/release/government-backs-business-through-covid-19>
- ▶ <https://taxpolicy.ird.govt.nz/bills/52-237>
- ▶ <https://taxpolicy.ird.govt.nz/bills/52-240>
- ▶ <https://www.beehive.govt.nz/release/government-boosts-cashflow-support-small-businesses>
- ▶ <https://budget.govt.nz/budget/2020/wellbeing/index.htm>

| Overview   | Personal tax   | VAT, GST and trade  | Business tax  | Links and resources |
|--|--|---|---|---------------------|
| <ul style="list-style-type: none"> <li>▶ The Federal Inland Revenue Service (FIRS) has issued various press releases and public notices to notify the public of the measures it has put in place to support taxpayers in managing their tax obligations amidst the COVID-19 pandemic.</li> <li>▶ The Nigeria Immigration Service also announced the waiver of fees for visa extensions to visitors and migrants impacted by the COVID-19-related travel restrictions.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Extension of Personal Income Tax filing due date for Foreign Affairs, Non-Residents, Military and Police from 31 March 2020 to 30 June 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Extension of Value-Added Tax filing due date from the 21st of the month following the month of transaction to the last day of such month.</li> <li>▶ Interest and penalties due on outstanding tax debts will be waived. The waiver will be applicable to taxpayers to the extent that such tax debts arising from desk reviews, tax audits and/or tax investigations are settled by 31 May 2020 at the latest.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Extension of filing deadlines for Withholding Tax (WHT) to the last working day of the month following the month of deduction.</li> <li>▶ Extension of the due date for filing Companies Income Tax (CIT) returns by one month.</li> <li>▶ 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.</li> <li>▶ Interest and penalties due on outstanding tax debts will be waived. The waiver will be applicable to taxpayers to the extent that such tax debts arising from desk reviews, tax audits and/or tax investigations are settled by 31 May 2020 at the latest.</li> <li>▶ Introduction of a user friendly e-filing process as an alternative for physical visits to tax offices. As such, 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.</li> <li>▶ Waiver of Late Returns Penalty for taxpayers who settle their tax liabilities early but file the respective returns at a later date. The supporting documents for such payments can be sent via the designated email addresses of the relevant tax offices, or submitted physically at a later date for those that are unable to access the email facility.</li> <li>▶ Concession for taxpayers with transactions denominated in foreign currency (forex) to settle their tax liabilities in Naira where there are difficulties in sourcing forex to settle such liabilities.</li> <li>▶ Suspension of tax field audits, investigation and monitoring visits until further notice.</li> </ul> |                     |

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

[Return to jurisdiction list](#)

## 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 to support the economy has been announced by the central bank of Oman, amounting to US\$ 20 Billion On 31 March 2020, the Government of Oman introduced a stimulus package of RO 8 billion to mitigate the effect of the 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

On 24 March 2020, a stimulus package was introduced, which included:

- ▶ An extension of the expiry date of all VAT clearance letters.
- ▶ The suspension of all tax cases
- ▶ Deferral of the collection of professions practicing license fees during the contingency period
- ▶ New procedures for clearing invoices.
- ▶ New procedures for obtaining deduction at source certificates and clearance letters.
- ▶ A waiver of CIT, withholding taxes, payroll taxes and VAT penalties, and the extension of filing deadlines.
- ▶ The submission of electronic VAT and payroll tax reports.

## Personal tax

- ▶ Waiver of penalties on the late filing of payroll taxes.
- ▶ The Ministry of Finance (MoF) is permitting taxpayers to submit their monthly payroll taxes reports in electronic form without the need to submit hardcopy files.

## VAT, GST and trade

- ▶ The Ministry of Finance issued instructions to extend the VAT clearance letters which expired on 1 March 2020, to 15 April 2020.
- ▶ Cases followed up by the VAT court or customs police will be suspended during the contingency period.
- ▶ The Ministry of Finance extended the time available to taxpayers to settle their invoices to two months, and up to three months for large taxpayers.
- ▶ The waiver of penalties on the late filing of VAT monthly reports during the contingency period has been instigated.
- ▶ The MoF allowed the tax payers to submit their monthly VAT reports in electronic form without the need to submit hardcopy files.

## Business tax

- ▶ Cases followed up by the income tax appeal court will be suspended during the contingency period.
- ▶ 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.
- ▶ 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.
- ▶ The MoF issued instructions to waive penalties on the late filing of income tax returns and withholding tax. The deadline to submit the income tax returns has been extended till 30 June 2020.

## Links and resources

## 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.
- ▶ The State Bank of Pakistan also took a number of other measures in recent weeks to mitigate the impact of COVID-19 on the economy, including an extension in repayment of loan principal amounts by one year, concessional financing for hospitals to procure equipment to combat COVID-19 as well as other measures.

## Personal tax

## VAT, GST and trade

- ▶ The Government has exempted various items from the application of sales tax, customs duty, regulatory duty and tax at import stage for various medical and other related items regarding COVID-19 outbreak.

## Business tax

- ▶ The Federal Board of Revenue (FBR) has announced various exemptions under different provisions of the Income Tax Ordinance, 2001 to help businesses and workers mitigate the impact of COVID-19 on the economy.

## 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)

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

[Return to jurisdiction list](#)

| Overview   | VAT, GST and trade   | Business tax  | Links and resources  |
|--|--|---|--|
| <ul style="list-style-type: none"> <li>▶ 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."</li> <li>▶ On 20 March 2020, Panama published, in Official Gazette No. 28985-C, Law 134 of 20 March 2020, which extends the tax amnesty from 29 February 2020 to 30 June 2020 due to COVID-19.</li> <li>▶ 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 relieve the economic impact resulting from the State of National Emergency.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The term for the payment of taxes that are caused 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.</li> <li>▶ Extension of the deadlines to file the income tax return of fiscal period 2019 until 30 May 2020.</li> <li>▶ 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.</li> <li>▶ Estimated income tax payment term on 30 September and 31 December 2020.</li> <li>▶ One-year exemption extension for AMPYME registered companies.</li> <li>▶ 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.</li> <li>▶ Payments derived from Payment Arrangements are extended until 31 December 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Forms and reports that taxpayers had to file by February 29, 2020 may now be filed on or before 30 June 2020. Such forms and reports are: Report of donations received; Non-reporting taxpayers (NGO) report; Payroll report; Reports of retirement funds, pensions and other benefits; Reports submitted by insurers - certification of medical expenses per insured; Certification of interest on residential mortgage loans with preferential interest; Report on purchases and imports of goods and services; Credit card sales reports; Transfer price reports; Income tax returns - individuals; Income tax return - entities; Income tax return - free zones.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ Extension of the deadline to file certain reports, until 31 May 2020. Such reports are: Report of payments made to third parties; Report of donation received corresponding to tax period 2019.</li> <li>▶ Exemption on the use of fiscal equipment for taxpayers that cannot use said fiscal equipment due to the closure of their commercial establishments as a consequence of the COVID-19 pandemic.</li> <li>▶ The Tax Authority authorize taxpayers to electronically file their applications and/or documentation until the State of National Emergency is lifted. Excepting the filing of appeals for reconsideration.</li> <li>▶ 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.</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28979_B/77812.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28979_B/77812.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28995/78111.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28995/78111.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28992_A/78056.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28992_A/78056.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28997_A/78134.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28997_A/78134.pdf</a></li> <li>▶ <a href="https://www.gacetaoficial.gob.pa/pdfTemp/28997/78122.pdf">https://www.gacetaoficial.gob.pa/pdfTemp/28997/78122.pdf</a></li> </ul> |

## 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 9 March 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 16 March 2020.
- ▶ Law N° 6524 dated 26 March 2020, establishes new 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 on 28 March 2020, extends the compulsory social isolation throughout Paraguay until 12 April 2020.
- ▶ Some Tax Resolutions issued by the Ministry of Finance (SET) 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 30 June 2020 will be valid for ninety 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.
  - ▶ No penalties will be applicable for contravention until 30 June 2020.

## 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.
- ▶ Decree N° 3528 dated 13 April 2020 establishes that the Current National Tariff (ANV) is temporarily modified for certain products listed in the Annex of Decree N° 6655 of December 30, 2015
- ▶ Decree N° 3529 dated 13 April 2020 extends the list of certain sensitive products established in the Decree N° 3477, in the framework of the epidemiological emergency.
- ▶ Decree N° 3.541 dated 20 April 2020, which postpones until 1 July 2020, the entry into force of the Excise Tax for the importation of Virgin Fuel that will be liquidated and paid at the National Customs Directorate, based on the customs value expressed in foreign currency as determined by the customs valuation service.
- ▶ Decree N° 3583 dated 6 May 2020, establishes an exceptional installment agreement regime applicable to VAT taxpayers.

## Business tax

- ▶ Decree N° 3.480/ 2020, established:
  - ▶ 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.
- ▶ 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.
- ▶ Resolution No. 45 dated 16 March 2020, determines that the Certificates of Tax Compliance issued until 30 June 2020, will have a duration of 90 calendar days. The presentation of Purchase and Sales Books in the “Hechauka” system has also been postponed, and the SET must reschedule the presentation calendar for June 2020.
- ▶ Resolution No. 46 dated 20 March 2020, establishes the postponement of the deadline for the filing of the Determinative and Informative Tax Returns. The expiration of the payment facilities, as well as the third and fourth advance payments of the IRACIS, which were due between 23 and 25 March 2020, is extended to 1 April 2020.
- ▶ Resolution No. 47 dated 23 March 2020, establishes at ₡150.000.000, the amount above which the presentation of the Certificate of Tax Compliance, Compliance in Controversy and Non-Tax Payer will be mandatory for financial intermediation entities, in order to obtain and renew loans. It also extends up to six months and/or 180 calendar days of delay in unpaid quotas, in order to render the payment facilities without effect. Article 15.c of Resolution No. 9/07, and its amendments are also suspended, so that new payment facilities may be requested. In addition, the issuance of debt certificates for the collection of tax debts that are in process and the generation of new processes are suspended.
- ▶ Resolution No. 48 dated 30 March 2020, extends until 12 April 2020 the dispositions contained in the General Resolution N° 43/2020.
- ▶ General Resolution N° 49 enacted by SET exceptionally extends the payment deadline for Presumed IRE and Maquila Unique Tribute, to those whose tax ID ends in 7, 8 or 9 until 4, 5, or 6 May 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 1 August to 31 August 2020. Consequently, the IDU must be paid in the month of September 2020.
- ▶ Resolution No. 50 dated 7 April 2020, establishes a simplified procedure of registration in the Single Taxpayer Registry (RUC, for its acronym in Spanish) for Micro and Small Businesses in the Business Income Tax (IRE, for its acronym in Spanish) under the Simplified Regime for Small Business (RESIMPLE, for its acronym in Spanish).
- ▶ Resolution N° 51 enacted by SET dated 13 April 2020, establishes:
  - ▶ The extension of the period of the special administrative measures established by General Resolutions No. 43 and 48 until the end of the general isolation.
  - ▶ The exceptional extension of the deadline of the IRACIS and IRAGRO Financial Statements submissions for those taxpayers who pay the tax under the General Regime, until July 2020.
  - ▶ The presentation of the inventory of agrochemical products in stock as of 31 December 2019, as provided for in General Resolution No. 24/2019, shall be made **exceptionally in July 2020**.

## 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>

- ▶ Contact: David de la Torre - Tax Policy
- ▶ Contact: Ramon Bueno-Tizon - Tax Desk
- ▶ Last updated: 20 May 2020

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

[Return to jurisdiction list](#)

## 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 until 19 May 2020 (Urgent Decree No. 026-2020; Supreme Decree No. 076-2020).
- ▶ For payments in installments granted before 15 March 2020, the installments to be paid on March and April could be paid later on 29 May 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 12 March 2020 (Peruvian Tax Authority Resolution No 008-2020-SUNAT/700000).
- ▶ Beginning 1 April 2020, the interest rates for tax debts in national currency is decreased from 1.2% to 1% monthly, and 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).
- ▶ New deferral and installment regime has been introduced. Pending payments of previous deferrals/installments of tax debts; advance income tax payments; fines and any other tax debt could be paid in installments if the taxpayers file a request to the Tax Authority by 31 August 2020 and the request is approved. This regime applies even when the tax authority has sent an order of payment to the taxpayer or issued a resolution with fines, or debts are currently under a collection process or are being challenged by the taxpayers. (Legislative Decree 1487).
- ▶ The Peruvian Tax Authority created a virtual platform aiming to facilitate the submission of documents and the monitoring of tax procedures by taxpayers. (Peruvian Tax Authority Resolution No. 077-2020/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).
- ▶ Taxpayers with income up to 2,300 Tax Units (approx. US \$2,841,176) during fiscal year 2019, have the option to postpone the filing of VAT returns for the month of February 2020 until the first days of June. (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. US\$6,000,000) during fiscal year 2019, have the option to postpone the filing of the VAT tax for the month of March and April until June. (Peruvian Tax Authority Resolutions No. 061-2020/SUNAT and 065-2020/SUNAT). The application of the VAT anticipated recovery regime to promote the acquisition of capital goods was extended from 31 December 2020 to 31 December 2023. Exceptionally, due to the COVID-19 pandemic, taxpayers with income between 300 Tax Units (approx. US \$368,700.00) and 2300 Tax Units (approx. US \$2,826,700) can use this regime until 31 December 2021. Previously, the regime was available for taxpayers with income up to 300 Tax Units (approx. US\$368,700) (Legislative Decree No. 1463).

**Business tax**

- ▶ Taxpayers with income up to 2,300 Tax Units (approx. US\$2,841,176) during fiscal year 2019 have the option 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 2020; ii) the returns and monthly payments of payroll tax for the month of February until the first days of May 2020. 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, 065-2020/SUNAT and 069-2020/SUNAT).
- ▶ Taxpayers with income up to 5,000 Tax Units (approx. US \$6,000,000) during fiscal year 2019, have the option 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 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, 065-2020/SUNAT and 069-2020/SUNAT).
- ▶ Taxpayers with income between 2,300 and 5,000 Tax Units (approx. US\$6,000,000) during fiscal year 2019 have the option 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 25 May 2020; iii) The annual return of operations with third parties until May 29, 2020 (Peruvian Tax Authority Resolution No. 065-2020/SUNAT).
- ▶ Taxpayers have the possibility to modify or suspend the monthly advance payments of Income Tax of April, May, June and July 2020 by comparing the gross revenue of the mentioned months in 2019 and 2020, obtaining less or equal to 30% of the gross revenue of 2020, respectively (Legislative Decree No.1471).
- ▶ The report for the destruction of any kind of wasted goods made between 22 April and 31 July 2020 should be communicated to the Tax Authority two days business before the destruction by email. The report is a requirement for deducting wasted goods.
- ▶ Taxpayers that have already destroyed wasted goods and did not follow the procedure because of the COVID-19 national emergency can support the destruction with a report filled within five business days counted from 1 August 2020 (Supreme Decree No. 086-2020).
- ▶ Losses incurred during fiscal year 2020 may be carried forward to offset 100% of profits obtained in the following five years instead of four years as established in the general rule, counted from tax year 2021 (Legislative Decree 1481).
- ▶ New Special Depreciation System applied as from 2021 with the following rates:
  - ▶ Buildings and construction at 20%, if construction started on or after 1 January 2020, and at least 80% of the construction is completed as of 31 December 2022. The 20% depreciation also may apply to assets acquired by taxpayers in tax years 2020, 2021 and 2022, provided the assets meet some requirements and they have not been totally or partially built before 1 January 2020.
  - ▶ Data processing equipment 50%.
  - ▶ Machinery and equipment 20%.
  - ▶ Ground transportation vehicles (except railways) with EURO IV/Tier II/EPA 2007 technology 33.30%.
  - ▶ Hybrid or electric ground transportation vehicles (except railways) 50%.
  - ▶ (Legislative Decree 1488).
- ▶ New depreciation regime for hotels, travel and tourism agencies, restaurants and related at the following rates for tax years 2021 and 2022:
  - ▶ 20% depreciation for buildings and construction that as of 31 December 2020 had not been depreciated at all.
  - ▶ 33.3% for ground transportation vehicles (except railways) that as of 31 December 2020 had not been depreciated at all. (Legislative Decree 1488).
- ▶ Companies in the Financial Services sector have the option to postpone the filing of the Common Reporting Standard of 2018 and 2019 until 23 and 24 July 2020. (Peruvian Tax Authority Resolution No. 082-2020/SUNAT).

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

- ▶ <https://busquedas.elperuano.pe/normaslegales/aplican-la-facultad-discrecional-en-la-administracion-de-san-resolucion-n-008-2020-sunat-700000-1865065-1/>
- ▶ <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/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-las-resoluciones-de-superintendencia-ns-055-2020-resolucion-069-2020sunat-1865505-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-supremo-que-dispone-la-prorroga-del-plazo-de-suspens-decreto-supremo-n-076-2020-pcm-1865826-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-el-reglamento-de-la-ley-del-impuesto-a-la-renta-decreto-supremo-no-086-2020-ef-1865658-2/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-legislativo-que-prorroga-y-amplia-el-ambito-de-aplic-decreto-legislativo-n-1463-1865590-2/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/modifican-las-resoluciones-de-superintendencia-ns-055-2020-resolucion-n-075-2020sunat-1865919-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-legislativo-que-modifica-la-ley-del-impuesto-a-la-re-decreto-legislativo-no-1471-1865916-1/>
- ▶ <https://busquedas.elperuano.pe/normaslegales/decreto-legislativo-que-extiende-el-plazo-de-arraastre-de-per-decreto-legislativo-n-1481-1866156-5/>

## 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.
- ▶ 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.
- ▶ Liberalize the grant of incentives for the manufacture or importation of health equipment or supplies needed to fight COVID-19, including exemption from import duties, taxes and other fees.
- ▶ 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.
- ▶ Implement a minimum of 30-day grace period for the payment of all loans (principal and/or interest) falling due within the Enhanced Community Quarantine (ECQ) period without imposition of interests, penalties, fees, or 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, without imposition of interests, penalties, fees, or other charges.

## 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 further extended until 14 June 2020 without interest and penalties.
- ▶ Submission of required attachments to the e-filed Annual Income Tax Return is further extended until 30 June 2020.

## VAT, GST and trade

- ▶ Filing and payment of BIR Forms 2550M and 1600WP for the months of February, March and April 2020 are extended until 19 May 2020, 4 June 2020, and 19 June 2020, respectively, without interest and penalties.
- ▶ Filing and payment of BIR Form 2550Q for the quarters ending 29 February 2020, 31 March 2020 and 30 April 2020 are extended until 24 May 2020, 9 June 2020, and 24 June 2020, respectively, without interest and penalties.
- ▶ Filing and payment of BIR Form 2551Q - in general - for the quarter ending 31 March 2020 and 30 April 2020 are extended until 9 June 2020 and 24 June 2020, respectively, without interest and penalties.
- ▶ Filing and payment of BIR Forms 1600 and 2200M for the months of March and April 2020 are extended until 9 June 2020 without interest and penalties.
- ▶ Filing and payment of BIR Forms 2000, and 2000-OT for the months of March and April 2020 are extended until 4 June 2020 without interest and penalties.
- ▶ Filing and payment of ONETT transaction returns (BIR Forms 1606, 1706, 1707, 1800, and 1801) falling due within the emergency period from 16 March 2020 is extended for 30 days from the lifting of the quarantine.
- ▶ Filing of VAT refund applications for the quarters ending 31 March 2018, 30 April 2018, and 31 May 2020 are extended until 30 May 2020, 14 June 2020, and 30 June 2020, respectively, or 30 days from the lifting of the quarantine, whichever comes later. 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.
- ▶ Filing of application for new Authority to Print (ATP) receipts/invoice for expiring receipts/invoices with expiration dates falling within the enhanced community quarantine (ECQ) period is extended until 13 May 2020 or for 30 calendar days after the lifting of the ECQ (if extended), whichever comes later, without imposition of penalties.

## Business tax

- ▶ Filing and payment of the Annual Income Tax Return for Corporations (BIR Forms 1702RT, 1702MX, 1702EX) for the years ending 31 December 2019 and 31 January 2020 are extended until 14 June 2020 without interest and penalties. For the year ending 29 February 2020, the deadline is extended until 15 July 2020 without interest and penalties.
- ▶ Submission of the audited financial statements and BIR Form 2307 to the e-filed Annual Income Tax Return for the years ending 30 November 2019, 31 December 2019, 31 January 2020, and 29 February 2020 are extended until 29 May 2020, 30 June 2020, 15 July 2020, and 30 July 2020, respectively.
- ▶ Filing and/or payment of BIR Forms 1702Q for the quarter ending 31 January 2020, 1604E, 1604CF, 2316 and other submissions falling due within the emergency period from 16 March 2020 are further extended until 30 May 2020 without interest and penalties. Filing and/or payment of BIR Forms 1702Q for the quarter ending 29 February 2020 and 31 March 2020 are extended until 13 June 2020 and 29 June 2020, respectively, without interest and penalties.
- ▶ Filing and/or payment of BIR Forms 1601C, 0619-E, and 0619-F for the months of March and April 2020 are extended until 9 June 2020 without interest and penalties.
- ▶ Filing and/or payment of BIR Forms 1601EQ, 1601FQ, 1602Q and 1603Q for the quarter ending 31 March 2020 are extended until 14 June 2020 without interest and penalties.
- ▶ Filing of applications for tax credits/refunds for erroneous tax payments made from 17 March 2018 to 30 April 2018, and from 1 May 2018 to 31 May 2018 are extended until 14 June 2020 and 30 June 2020, respectively.
- ▶ Filing of protest letters etc. on tax audits with deadlines falling during the period starting on 16 March 2020 and within 30 days from the date of lifting of the ECQ is extended until 30 days from the date of the lifting of the quarantine. The running of the period within which to file the protest letters etc. shall be suspended.
- ▶ Submission of the Certificate of Residence for Tax Treaty Relief (CORTT) Form for withholding tax on dividends, interest and royalties for the months of February, March and April 2020 with FWT paid and remitted in March, April and May 2020 respectively are extended for 30 days from the lifting of the quarantine.
- ▶ Filing of applications for tax amnesty on delinquencies is further extended until 22 June 2020.
- ▶ Running of the statute of limitations for the assessment and collection of taxes during the emergency period starting on 16 March 2020 is suspended until 60 days after the lifting of the quarantine.
- ▶ Documentary stamp tax (DST) exemption of all extension or renewal of loans, including credit extension and credit restructuring, and micro-lending, falling due within the ECQ period, subject to reporting requirements.
- ▶ Tax returns filed within the original deadline or before the extended deadlines can be amended and the additional tax, if any, be paid on or before the extended due date without interest and penalties. Overpaid taxes on the amended returns can be credited to succeeding periods or refunded.
- ▶ The defined extended due dates under Sec. 2 of Revenue Regulations No. 11-2020 shall remain in effect regardless of any extension or modification of quarantine.
- ▶ Donations in cash or in kind to certain recipients for purposes of combatting Covid-19 during the state of national emergency are fully deductible from the donor's taxable income subject to specific documentation.

## Other measures

- ▶ Implementation of a minimum of 30-day grace period for the payment of all loans (principal and/or interest) falling due within the Enhanced Community Quarantine (ECQ) period without imposition of interests, penalties, fees, or other charges.
- ▶ Provision of wage subsidy/financial support and unemployment benefits to affected businesses and displaced workers through various programs including the COVID-19 Adjustment Measures Program (CAMP) or the Small Business Wage Subsidy Program (SBWS).
- ▶ Implementation of a minimum of 30-day grace period for the payment of residential and commercial rents without imposition of interests, penalties, fees, or other charges.
- ▶ Access to loans and financing programs such as low-interest loans under a simplified application procedure through the Development Bank of the Philippines' Rehabilitation Support Program on Severe Events (RESPONSE), restructured loan amortizations with longer tenor and grace periods, with option of a fixed interest rate under the Landbank of the Philippines' Calamity Rehabilitation Support (LBP CARES), and Pondo sa Pagbabago at Pag-asenso (P3) Program of the Small Business Corporation microfinancing special loan packages for MSMEs.
- ▶ Implementation of regulatory and operational relief measures to encourage banks and financial institutions to lend to businesses and other investments. Rules applicable to foreign exchange transactions (i.e. investments and borrowings) were also relaxed.

## 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](#)
- ▶ [RR No. 8-2020](#)
- ▶ [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](#)
- ▶ [RR No. 9-2020](#)
- ▶ [RMC No. 38-2020](#)
- ▶ [RMC No. 39-2020](#)
- ▶ [RMC No. 41-2020](#)
- ▶ [RR No. 10-2020](#)
- ▶ [Small Business Wage Subsidy Program](#)
- ▶ [BSP No. M-2020-025](#)
- ▶ [RR No 11-2020](#)
- ▶ [RR No 12-2020](#)

## Overview

- ▶ The first stimulus package was signed by the Polish President on 1 April 2020. The second anti-crisis shield package was signed by the President on 17 April 2020. The new measures and modifications are included below, where applicable.
- ▶ The stimulus package covers 5 key pillars and its value amounts to approx. PLN 212 billion (approx. US \$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.
- ▶ 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. 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).
- ▶ The deadline for tax authorities to complete tax inspections is suspended. Tax authorities may request from a tax payer an action under specific circumstances.
- ▶ The deadline for submitting applications to the Central Register of Real Beneficiaries is postponed until 13 July 2020;
- ▶ The deadline for the tax authorities to issue individual tax rulings is extended for additional three months (on top of the statutory three months).
- ▶ Polish Government plans to introduce (upon the European Commission's approval) public aid programs for all-sized entrepreneurs in a form of subsidies, preferential loans, capital instruments.

## 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 (for so-called “small taxpayers”).
- ▶ 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.
- ▶ Social security and some other contributions due from the remitter employing up to 49 persons may be subject to exemptions (50% or 100% of contributions, depending on the number of employees).

## VAT/GST and trade

- ▶ The deadline for so-called “large enterprises” to file new JPK\_V7M forms (SAF-T that is to replace monthly value-added tax returns) is postponed until 1 July 2020
- ▶ The effective date of the retail tax was postponed from 1 July 2020 to 1 January 2021.
- ▶ The deadline for reporting payments that were not made to an account of a recipient indicated in the official “white list” register was extended to 14 days (reporting of such payments prevents CIT and VAT sanctions from being applied).

## Business tax

- ▶ The deadline for submitting:
  - ▶ the corporate income tax return (CIT-8) is postponed until 31 May 2020.
  - ▶ ORD-U forms (compliance regarding agreements with non-Polish residents) is postponed until the fifth month following the tax year for which they are submitted;
  - ▶ IFT-2R (WHT compliance) is postponed until the end of the fifth month of the year following the tax year in which the payments subject to withholding tax (also if exempt) are made;
- ▶ Taxpayers have the possibility to settle current losses using past profits (under certain conditions).
- ▶ 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 (for so-called "small taxpayers").
- ▶ 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.
- ▶ 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.
- ▶ For the Tax Capital Group - the minimum 2% income in revenues ratio is deemed maintained if a taxpayer 's situation has worsened due to the COVID-19
- ▶ Sale or exchange of a cryptocurrency is exempt from the Transaction Tax (stamp duty)

## Links and resources

### Government resources

Official publication of the Act dated 31 March 2020 on COVID-19 related measures:

- ▶ <http://prawo.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20200000568>

Official publication of the Act dated 16 April 2020 on COVID-19 related measures:

- ▶ <http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20200000695/O/D20200695.pdf>

## Overview

The Portuguese Government has announced the creation of the specific credit lines with an overall amount of 6,200m 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 4,500m euro (of which 1,700m euro are exclusive to Micro and SMEs) to support companies operating in the industry sector.

Besides the specific credit lines above, available to micro-companies in the tourism sector is a 60m euro credit line, established in Legislative Order n.º 4/2020.

The credit lines set out specific conditions for the eligibility of beneficiaries and credit operations. There are several limits on the maximum amounts available per company.

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 toward 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 20 January 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 canceled 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.

In addition, the Order n.º 153/2020-XXII has deferred the deadline to pay the Stamp Duty for April until 25 May 2020, and for May until 25 June 2020.

## 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 installments 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 meet 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 installment or (ii) installments 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 may be fulfilled in one of the following ways:

- ▶ Immediate payment, under general terms,
- ▶ Payment in installments in three or six monthly installments 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.

In addition, the Order n.º 153/2020-XXII has deferred the deadline to pay personal withholding tax for April until 25 May 2020, and for May - until 25 June 2020.

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 cancelation 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 1,905 euro (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:

- ▶ The total number of employees is less than 50;
- ▶ The 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 the present time.
- ▶ The 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 the present time. 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 installments, 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 installment 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.

## Business tax (continued)

Recently-approved Order 137/2020-XXII establishes certain benefits with respect to the costs for the companies making qualifying donations in order to support necessary treatment of the people affected by COVID-19. To be considered qualifying such donations should be made to:

- ▶ the shared services of the Ministry of Health (*SPMS - Serviços Partilhados do Ministério da Saúde, EPE*), and
- ▶ hospitals under the EPE (*Entidade Pública Empresarial*) legal framework.

If the above conditions are met, then the donations referred to the entities above (i) are considered deductible expenses for CIT purposes at 140% of the total amount donated during the current FY, and (ii) are not subject to Stamp Duty. These benefits will be in force until 31 July 2020, despite the ending of the State of Emergency in Portugal as of 3 May 2020.

Order n.º 153/2020-XXII established the following measures in relation to deadlines:

- ▶ Extension of the deadline to file the Annual Tax and Accounting Return (“*Informação Empresarial Simplificada/Declaração Anual de Informação Contabilística e Fiscal*”) for 2019 until 7 August 2020.
- ▶ Deferral of the deadline to prepare and file the documentation adopted to comply with the transfer pricing rules until 31 August 2020.
- ▶ Extension of the deadline to pay the corporate withholding tax for April until 25 May 2020, and for May until June 2020.

## VAT, GST and trade

- ▶ For taxpayers who apply the quarterly VAT reporting the payment of VAT for Q2 can be done as follows: (i) via full payment, (ii) three-monthly payments without interest charge, or (iii) six-monthly payments, including late interest on the final three installments. The option applies automatically for business below the threshold, but businesses whose turnover exceeds the threshold can also request to apply for an installment plan.
- ▶ The monthly VAT returns for the period of February and March 2020, as well as of the quarterly VAT return for Q1, 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 monthly VAT return for the period of February 2020 must occur until July 2020, and for the period of March 2020 until August 2020.
- ▶ In order to benefit from these regimes, companies must meet one of the following conditions:
  - ▶ Have turnover of up to 10m euro 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 153/2020-XXII established the deadline for the filing of the monthly VAT return for the period of March and April 2020, until 18 May and 18 June, respectively. The filing of the VAT return for Q1 of 2020 (i.e., January until March) should be completed no later than 22 May 2020. The payment of the tax due may be performed until the 25<sup>th</sup> day of each month, nevertheless the taxpayer may opt for settlement in installments.
- ▶ On 7 May 2020, Law n.º 13/2020 established the following measures:
  - ▶ VAT exemption from 30 January 2020 to 31 July 2020, for the transfers and intra-EU Community acquisitions by the state, other public institutions and non-profit organizations, of certain goods required to address the COVID-19 outbreak (including medicine and protective gear)
  - ▶ Temporary reduction of VAT rate on imports, transfers and intra-EU acquisitions of protective face masks and skin sanitizers, varying according to the place of supply, as follows:
    - ▶ 6% for continental Portugal.
    - ▶ 4% for Azores Autonomous Region.
    - ▶ 5% for Madeira Autonomous Region.

## 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://covid19estamoso.n.gov.pt/>

Find the most current version of this tracker on [ey.com](https://www.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>▶ 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 15 March 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 15 March 2020 at 6pm through 30 March 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 15 April 2020 to 15 May 2020.</li> <li>▶ Additional extension was announced on 23 March 2020 by the PR Governor, through 15 July 2020. 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 15 March 2020 and 31 May 2020 for one month.</li> <li>▶ The February monthly state and municipal SUT returns that would be due on 20 March 2020 are extended through 20 April 2020.</li> <li>▶ Tax on Imports Monthly Return due on 10 April 2020 is extended for one month.</li> <li>▶ SUT bi-monthly payment due on 16 March 2020 and 31 March 2020 are not extended but no penalty would be assessed if balance is paid with monthly SUT return by 20 April 2020.</li> <li>▶ Additional extension for the bi-monthly payment was announced on 23 March 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 and Annual fee extended until 15 May 2020.</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 15 March 2020 and 15 April 2020*.</li> <li>▶ PR Income Tax Return for Pass-through entities that is generally due on 15 March 2020 is extended through 15 April 2020.</li> <li>▶ PR Corporate Income Tax Return that is generally due on 15 April 2020 is extended through 15 May 2020.</li> <li>▶ All other taxpayers with a fiscal year end, tax return or extension due in 15 March 2020 is extended through 15 April 2020.</li> <li>▶ Estimated tax payments due in March are extended to 15 April 2020.</li> <li>▶ Estimated tax payments due in April 15 are extended to 15 May 2020</li> <li>▶ Informative returns originally due on 28 February 2020 (and previously extended through 15 March 2020) are extended further until 15 April 2020.</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

- ▶ The Qatar Government will provide financial and economic incentives to the private sector to the amount of QAR 75 billion.
- ▶ Government announces injection in the capital markets through Qatar Exchange as a confidence booster to investors in the small and medium enterprises with the amount of QAR10 billion.
- ▶ Exemptions in payment of customs duties for imports in the Food and Medical Industries for six months.
- ▶ Rental holidays for Warehousing and Logistics Companies for six months.
- ▶ Select sectors exempted from paying electricity and water charges for months. These include hospitality, tourism and logistic sectors.
- ▶ Qatar Development Bank announces postponement of loan installments for six months.
- ▶ The government announced two months extension to tax filing deadline.
- ▶ On 29 March 2020, the government allocated QAR 3 billion as loan guarantees to local banks as a part of the overall soft loan package in order to support businesses in Qatar.
- ▶ On 30 March 2020, a notice was issued by the Director of Tax of the Qatar Financial Centre (QFC) to update the rates for calculating the late payment charges in respect of tax paid late and the compensation for overpaid tax.
- ▶ General Authority of Customs introduced some customs relief measures.

## Personal tax

## VAT, GST and trade

- ▶ On 24 March 2020, Qatar's General Authority of Customs exempted 905 items from customs duties for a period of six months. Exempted items include basic food items and a number of medical equipment and tools for protection and personal and home hygiene.

## Business tax

- ▶ The GTA (General Tax Authority) issued a circular to extend the deadline of filing tax returns for the State Income Tax Regime with two months from 30 April until 30 June 2020.
- ▶ QFC notice was issued to reduce the interest rate on the tax due late payment from five percent (5%) to zero percent (0%) on tax due from 1 March 2020 until 31 August 2020. The rate will revert to 5% from 1 September 2020 until further notice.
- ▶ QFC notice was issued to reduce the interest rate on repayment of overpaid tax from one percent (1%) to zero percent (0%) from 1 March 2020 until 31 August 2020. The rate will revert to 1% from 1 September 2020 until further notice.

## Links and resources

## 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 entire period of the state of emergency (i.e., currently 15 May 2020) and an additional 30 days thereafter. These tax obligations will not be considered as overdue. Thus, it is understood that tax clearance certificates without any outstanding liabilities may still be obtained by taxpayers participating in auctions. However, the deadline for submission of tax returns has not been postponed. Furthermore, GEO 48/2020 stipulates that for the late payment of installments related to rescheduled tax liabilities, no late payment interest and penalties shall be computed until the expiration of the 30 days term after the end of the state of emergency on 15 May 2020.
- ▶ **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 three 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 installments, 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 to implement broad measures to support business activity and facilitate negative impact of COVID-19 expansion. On 17 March 2020 the Government issued the respective plan.
- ▶ The government will form an anti-crisis fund in the amount of 300 billion RUR.
- ▶ In recent days more than 23 billion RUR were transferred to medical industry.
- ▶ Credit payments deferral to be adopted soon.
- ▶ Temporary suspension on bankruptcy claims for 6 months.
- ▶ Implemented special procedures for registration of pharmaceuticals;
- ▶ Online trade of pharmaceutical is allowed under certain conditions
- ▶ April is a non-business month.
- ▶ The following funds have also been announced:
  - ▶ 23 bln RUB - direct money transfer to support air carriage industry;
  - ▶ 200 bln RUB - direct money transfer to regional budgets;
  - ▶ Separate support programs for basic economy industries;
  - ▶ Direct money transfer for SMEs in the amount of minimum salary (12 130 RUB) per each employee in May and June;
  - ▶ Loyal credits and credit securing program for loans to pay salaries
  - ▶ Additional tax support measures are being prepared by the Russian Government.
  - ▶ Additional measures for development industry are being prepared (assisted mortgages, loyal credits)
  - ▶ End of non-business days starting from 12 May 2020
  - ▶ Additional one-time payment for families with children
  - ▶ Increased maternity-leave provision for 2 times
  - ▶ New loyal credit program. The debt may be written off in full should the company save at least 90% of personnel employment, or in part (50%) should the company save at least 80% of personnel employment

## Personal tax

- ▶ A 13% personal income tax has been imposed on interest derived from deposits/loan securities, if the value of such instruments exceeds 1 million RUB (from 2021)
- ▶ PIT salary exemption for medicals engaged in COVID-19 response
- ▶ Tax refund for 2019 for self-employed;
- ▶ Social contributions deductions for self-employed and highly impacted by COVID-19, in the amount of 1 MROT
- ▶ Draft law on non-taxation of material benefit resulting from credit write-off related to COVID-19 response
- ▶ Draft law on non-taxation of payments for medical employees engaged in COVID-19 response
- ▶ Draft law to decrease pension fund contributions for individual entrepreneurs (20 318 RUB for 2020)

## VAT, GST and trade

- ▶ The Russian Prime Minister has instructed the expansion of the so-called 'green channel' on certain types of socially significant goods. In practice it means that customs clearance of such imported goods will be performed faster with no or minimum of customs inspections at the border.
- ▶ The Board of the Eurasian Economic Commission established a list of goods for prevention of spread of COVID-19 that are exempted from import customs duties. This list includes, for example, disinfectants, respirators and masks, systems for collecting and transfusing blood, etc. On 3 April 2020 this list was supplemented by new items, e.g., laboratory thermobags, containers for the collection and disposal of medical waste, etc. The above exemption is granted for the listed goods with regard to which the customs declaration is registered before 30 September 2020.
- ▶ The Board of the Eurasian Economic Commission approved the 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, as well as certain pharmaceuticals and materials for their production and medical devices. The specified exemption is granted for goods on which the customs declaration is registered before 30 June 2020. The decision entered into force on 7 April 2020 and is 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 until 30 June 2020 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. Wheat, meslin, rye, barley and corn (excluding seeds) can be exported only by quota until 30 June 2020.
- ▶ The Russian Government supplemented the List of goods that are not subject to VAT upon importation with goods for preventing the spread of COVID-19. These goods include COVID-19 test-systems, masks, ventilation devices, etc. However, to apply for the exemption, it is necessary to provide a document confirming that such goods will be transferred free of charge to non-profit organizations.
- ▶ The Board of the Eurasian Economic Commission allowed to provide an electronic or paper copy of the certificate of origin instead of the original with regard to goods from developing and least developed countries. The original document must be submitted no later than six months from the date of registration of the customs declaration. However, the importer must provide a written commitment to timely present the original certificate.
- ▶ The Russian Government included retail of non-food goods into the list of economic sectors which suffered the most from COVID-19 pandemic. The spectrum of the retail business that will be supported by the Government covers trade of cars, motorcycles, communication equipment, household goods, textile, clothes, shoes, and other non-food products.
- ▶ Euroasian Economic Union imposed cereals embargo for the period from 12 April 2020 to 30 June 2020. Member states stop export of onion, garlic, buckwheat, corn, rice, soybeans, sunflower seeds and other similar products to prevent supply shortfalls during the COVID-19 pandemic.

## VAT, GST and trade

- ▶ Licenses for retail sale of alcoholic and alcohol-containing products will be extended for 12 months if their term expires during the period from 15 March 2020 to 31 December 2020
- ▶ The Board of the Eurasian Economic Commission established temporary terms of import of medical products for prevention of the spread of COVID-19. Such products are listed in the Decision of the Board of the Eurasian Economic Commission of 16 March 2020 N 21. The certificate of state registration and/or confirmation of compliance with technical regulation measures (if applicable) do not have to be provided with regard to listed products until 30 September 2020. However, the importer must provide a confirmation of the designated purpose of the goods. Such goods can circulate only on the territory of the Eurasian Economic Union member state to which they were imported. The safety assessment of such products must be carried out prior to their use. The decision applies to goods imported since 3 April 2020.
- ▶ The World Customs Organization jointly with the World Health Organization issued an HS classification reference for medical supplies for combating COVID-19 to help countries speed up the cross-border movement of these products. The listed supplies include, i.e, products for diagnostic purposes, protective garments, disinfectants and sterilizers, oxygen therapy equipment, mobile radiological vehicles and wheelchairs. This list is indicative and has no legal status. For classification at domestic level (seven or more digits), consultation with the relevant Customs administration is recommended.
- ▶ The Russian Federal Customs Service informed that due to COVID-19 the statistical forms on goods transferred between the countries of the Eurasian Economic Union can be submitted within eight working days after the non-working days and holidays. All business days in April were proclaimed non-working days in Russia.

## 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-19 response.
- ▶ Draft law: all taxes (excluding VAT) are written off for 2Q2020 for SMEs
- ▶ Draft law on deductibility of various expenses related to COVID-19 response
- ▶ Draft law on exclusion from profits tax related to standardized projects of developers

## 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)

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

[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

- ▶ 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

- ▶ Saudi Arabian Monetary Authority (SAMA) announced the introduction of Private Sector Financing Support Program with a total value of SAR 50 Billion as follows:
- ▶ Supporting Small and Medium Enterprises (SMEs) sector by:
  - ▶ 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 six months.
  - ▶ Funding for Lending Program, where the Government will provide concessional finance of about SAR 13.2 Billion to the SMEs to support business continuity and sector growth.
  - ▶ Loan Guarantee Program, where the Government will deposit SAR 6 Billion in banks and financial institutions to relieve the SMEs from the burden of KAFLA Program's finance costs.
- ▶ Supporting 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 three months, and it amounts to SAR 800 Million.
- ▶ Supporting the institutions in Makah and Madina, affected by the precautionary measures, by coordinating with the banks and finance companies to facilitate finance repayments.
- ▶ Zakat, Income Tax and VAT payment and filing obligations have been delayed by three months.
- ▶ Postponement of customs Duty collection on imports.
- ▶ Saudi Arabian Government to bear private sector Saudi national employees' 60% salaries for three months with a total of SAR 9b.
- ▶ Saudi Arabia's General Organization for Social Insurance (GOSI) has exempted employers from delay fines for February and March 2020.
- ▶ Cost of living allowance will be suspended as of 1 June 2020.
- ▶ Temporarily waiver of penalties for amending prior filing positions and additional filing relief
- ▶ Suspending the cost of living allowance, and raising VAT to mitigate economic impact of COVID-19 crisis.

## Personal tax

## VAT, GST and trade

- ▶ The deadline for submitting the VAT and excise tax returns and settling due tax is extended by three months for returns which fall due between 18 March 2020 to 30 June 2020.
- ▶ Postponement of the payment of due VAT to be paid by registered persons to Customs Authority for imports related to their business activity, while allowing them to pay it through the VAT return of the import period.
- ▶ Postponement of the due Excise tax payments, to be paid by registered persons to Customs Authority for all taxable items that are not subject to tax suspension according to applicable procedures for persons who have obtained a tax warehouse license.
- ▶ Saudi Customs has postponed the collection of customs duties on imports for a period of 30 days against the submission of a bank guarantee, for the next three months and is setting the necessary criteria for extending the postponement period for the most affected activities as needed.
- ▶ Saudi Arabia has temporarily waived penalties for amending prior filing positions and offers additional filing relief.
- ▶ VAT will be increased to 15% from 5% as of 1 July 2020 as per statement of the Ministry of Finance.

## Business tax

- ▶ The deadline for submitting the Zakat returns, Income Tax returns, and Withholding Tax returns: and settling due zakat and tax is extended by three months for returns which fall due between 18 March 2020 to 30 June 2020.
- ▶ Fines for late payments of installments, amendment of declarations, non-cooperation of taxpayers, and examination fines have been suspended until 30 June 2020.
- ▶ The procedure to stop services of taxpayers and seizing funds has been suspended until 30 June 2020.
- ▶ Issuing the Zakat certificates without restrictions for the year 2019.
- ▶ Acceptance of installment applications without an advance payment until 30 June 2020.
- ▶ Expediting the refund payment requests claimed by taxpayers.
- ▶ Suspension of the special requirements to submit bank guarantee until 30 June 2020.
- ▶ Saudi Arabia has temporarily waived penalties for amending prior filing positions and has offered additional filing relief.

## Links and resources

### Government materials

- ▶ <http://www.sama.gov.sa/en-US/News/Pages/news-514.aspx>
- ▶ [https://gazt.gov.sa/ar/MediaCenter/News/Pages/News\\_309.aspx](https://gazt.gov.sa/ar/MediaCenter/News/Pages/News_309.aspx)
- ▶ [https://gosi.gov.sa/GOSIOnline/news51&locale=ar\\_SA](https://gosi.gov.sa/GOSIOnline/news51&locale=ar_SA)
- ▶ [https://gosi.gov.sa/GOSIOnline/news49&locale=ar\\_SA](https://gosi.gov.sa/GOSIOnline/news49&locale=ar_SA)
- ▶ [https://www.ey.com/en\\_gl/tax-alerts/saudi-arabia-temporarily-waives-penalties-for-amending-prior-filing-positions-and-offers-additional-filing-relief](https://www.ey.com/en_gl/tax-alerts/saudi-arabia-temporarily-waives-penalties-for-amending-prior-filing-positions-and-offers-additional-filing-relief)
- ▶ <https://gazt.gov.sa/ar/RulesRegulations/UnderConsultations/Documents/GAZT%20-%20Initiatives%20EN.pdf>

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

## Overview

- ▶ Several tax measures have been implemented in order to support companies affected by the COVID-19 pandemic. These include postponement of tax filings and remission of tax liabilities for taxpayers impacted by the COVID-19 pandemic. All on-site tax audits have also been suspended and prohibited until further notice.

## Personal tax

- ▶ Postponement of the deadline until 15 July 2020 for filing and payment of PIT withheld on salaries paid to staff has been made available to eligible SMEs on the period running from March until June 2020.
- ▶ Taxpayers who undertake to keep their workers in employment or pay 70% of the salary of employees who were temporarily laid off for the duration of the pandemic, will be granted a subvention equal to the amount of PIT withheld from employees.
- ▶ Partial remission of tax liabilities incurred by taxpayers by 31 December 2019 for a total amount of XOF 200 billion. The conditions for the application of this measure will be defined by Decree of Minister of Finances.

## VAT, GST and Trade

- ▶ A postponement to the deadline for filing and payment of VAT due from eligible SMEs in the period running from March until June 2020 has been put in place. The deadline is now 15 July 2020.
- ▶ Extension of the deadline for payment of the VAT which payment has been suspended under the Investment Code, from 12 to 24 months. This measure concerns the balance of VAT which payment has been suspended in virtue of an investment program approved under the Investment Code.
- ▶ The timeframe for reimbursement of VAT credits has been shortened. The 60 day period provided by the General Tax Code, which is rarely observed in practice, has been reduced to 14 days.
- ▶ Partial remission of tax liabilities incurred by taxpayers by 31 December 2019 for a total amount of XOF 200 billion, under conditions to be defined by Decree of Minister of Finances.

## Business tax

- ▶ Postponement of the deadline for filing requirements and payment of Corporate Income Tax (CIT) and other direct taxes until 15 July 2020 has been made available to eligible small and medium-sized enterprises, which includes hotel, catering trade, transport, culture, communication (press), education and farming industries that realized a turnover lower or equal to XOF 100 millions during.
- ▶ Deductibility of the donations granted to "FORCE COVID-19" from the Corporate income tax base due for the year ended on 31 December 2020.
- ▶ Postponement of the deadline for filing of FY2019 annual financial statements until 30 June 2020.
- ▶ Partial remission of tax liabilities incurred by taxpayers by 31 December 2019 for a total amount of XOF 200 billion, under conditions to be defined by Decree of Minister of Finances.

## Links and resources

- ▶ Service note n°290/MFB/DGID/DRS dated 26 March 2020 relating to the execution of tax audits within the context of the COVID-19 pandemic.
- ▶ Circular n°017/MFB/DGID from Minister of finances dated 17 April 2020 relating to the deadline for payment of suspended VAT.
- ▶ Circular n°018/MFB/DGID from Minister of finances dated 17 April 2020 relating to the processing of application files for VAT refund.
- ▶ Presidential Order n°002-2020 dated 23 April 2020 implementing supporting tax measures for companies affected by the COVID-19 pandemic.

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

[Return to jurisdiction list](#)

## Overview

- ▶ The following economic measures during the state of emergency have been adopted by Serbian Minister of Finance:
  - ▶ State aid for small, medium and large enterprises - include payments equal to the minimum wage, for each employee. Large enterprises will receive only 50% of minimum wage and only for employees who stopped working for reasons of reduced business volume or complete suspension of work (payments to large enterprises for April and May will be granted only for the employees that have not been working for at least 15 days in April and May).
  - ▶ Salary related tax and social security contributions may be postponed for tax period March - May (or April - June), so that these are due in January 2021, with a payment period of up to 24 months, without interest.
  - ▶ A loan granting program for maintaining liquidity and working capital is available for entities such as entrepreneurs, micro, small and medium-sized enterprises.
  - ▶ Guarantee schemes for loans granted by domestic commercial banks to companies from above-mentioned segments are also available.
  - ▶ Until the end of FY 2020, companies, using Government stimulus measures, other than the ones publicly owned, will not be able to pay dividends
  - ▶ All adult citizens will be entitled to one-off aid in the amount of EUR 100 in RSD equivalent after ending the state of emergency.
  - ▶ State aid and loan granting program with beneficial interest rates is available for agricultural households.
- ▶ Postponement of repayment of loans at the request of citizens and economy for 90 days.
- ▶ Interest on all late tax payments, is reduced to the National Bank of Serbia reference rate currently 1.75%
- ▶ Deadlines in administrative proceedings before state authorities during the state of emergency have been delayed in a manner that parties to such proceeding will not bear any consequences of their failure to act within the prescribed deadlines during the period of state of emergency.
- ▶ Deferred payment of tax agreements shall not be jeopardized during the state of emergency.
- ▶ Government issued bylaw that regulates simplified procedure for issuance of corporate bonds.

## Personal tax

- ▶ As a part of tax measures implemented during the state of emergency, it will be possible for salary-related tax and social security contributions, payable during the state of emergency in private sector, i.e., for tax period March - May (or April - June), are deferred so that such taxes are due in January 2021, with a payment period of up to 24 months, without interest.
- ▶ Deadline for filing the tax return for self-employment income tax for taxpayers that are keeping business books (i.e. ,pay tax on taxable income) will be postponed to 90 days from the date of termination of the state of emergency.
- ▶ Interest on all late tax payments, is reduced to the National Bank of Serbia reference rate currently 1.75%.

## VAT, GST and trade

- ▶ VAT is not to be paid on donations to health and other institutions that are engaged in combating the effects of the epidemic
- ▶ Interest on all late tax payments, is reduced to the National Bank of Serbia reference rate currently 1.75%.

## Business tax

- ▶ State aid for small, medium and large enterprises - include payments equal to the minimum wage for entrepreneurs, micro, small and medium-sized enterprises, for each employee. Large enterprises will receive only 50% of minimum wage and only for employees who stopped working for reasons of reduced business volume or complete suspension of work. General condition for receiving state aid is maintaining the number of employees i.e., not reducing the number of employees more than 10% in comparison to the pre-emergency state of affairs.
- ▶ Employers will be able to defer payment of salary related tax and social security contributions for tax period March - May (or April - June), so that such taxes are due in January 2021, with a payment period of up to 24 months without interest.
- ▶ Monthly advance payments of corporate income tax due in the second quarter of 2020 (April to June) will be deferred.
- ▶ Deadline for filing the tax return for corporate income tax will be postponed to 90 days from the date of termination of the state of emergency.
- ▶ Interest on all late tax payments, is reduced to the National Bank of Serbia reference rate currently 1.75% .

## Other measures

- ▶ Interest on all late tax payments has been reduced.
- ▶ Loan granting programs and guarantee schemes for loans as measures for maintaining liquidity.
- ▶ Deferred deadlines in administrative proceedings before state authorities during the state of emergency.
- ▶ Deferred payment of tax agreements shall not be jeopardized during the state of emergency.

## Links and resources

### Government materials

- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/38/2/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/41/2/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/54/2/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/54/6/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/57/3/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/57/4/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/57/2/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/57/1/reg>
- ▶ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/60/1/reg>

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

[Return to jurisdiction list](#)

## 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 toward 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.
- ▶ Singapore eased its monetary policy on 30 March 2020. The COVID-19 (Temporary Measures) Act was gazetted on 7 April 2020 to offer temporary relief to individuals and businesses who are unable to fulfil their contractual obligations because of COVID-19.
- ▶ Minister 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 (circuit breaker period).
- ▶ Singapore announced an extension of the circuit breaker period till 1 June 2020 (from 4 May 2020) and put in place tighter measures during the circuit breaker period. The Government will also continue to support businesses and people through building on the measures introduced in the earlier Budgets. The added support measures will amount to S\$3.8 billion.
- ▶ On 2 May 2020, it was announced that circuit breaker measures will be progressively eased over the coming weeks. As restrictions will be cautiously lifted over the coming weeks, new safeguards may be put in place to ensure the safe and gradual resumption of economic and community activities.

## 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 in installments, the income tax deduction will resume in August, September or October 2020 and the end-date of their installment 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 installment 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).
- ▶ The payment due date will also be extended to 11 May 2020. For those on GIRO, the deduction date remains as 15 May 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 installments 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 installment arrangement.
- ▶ Companies with financial year ending in January 2020 and February 2020 will be granted an automatic extension till 30 June 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).
- ▶ The timeline for S-REITs to distribute at least 90% of their taxable income derived during FY2020 in order to qualify for tax transparency has been extended from three months to 12 months (after the end of FY 2020).
- ▶ Consistent with the announcement by the US Internal Revenue Service and in light of the COVID-19 situation, IRAS is automatically extending the FATCA filing deadline for Reporting Year 2019 to 31 August 2020 (from 31 May 2020).
- ▶ Consistent with international practices to help financial institutions in light of the COVID-19 situation, IRAS is automatically extending the CRS filing deadline for Reporting Year 2019 to 31 August 2020 (from 31 May 2020).

## 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)

Find the most current version of this tracker on [ey.com](https://www.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>▶ Extended payment arrangements for businesses experiencing liquidity issues. Arrangements will be handled on an individual basis and evidence of hardship will be required.</li> <li>▶ Business liquidity support loans.</li> <li>▶ Increased support to rent committee.</li> <li>▶ Encourage landlords not to evict tenants and to grant possible suspension of payments or reduced payments.</li> <li>▶ Moratorium on bank loan for three to six months - no capital repayments nor interest.</li> <li>▶ Special working capital to corporate clients by several banks (case-by-case basis).</li> <li>▶ Other relief measures related to utility bills, fuel prices, telecommunication bills and student loans</li> </ul> | <ul style="list-style-type: none"> <li>▶ Postponement of filing of 2019 income tax return to 31 August 2020</li> <li>▶ Suspension of audits.</li> <li>▶ Postponement to 4 May 2020 has been granted for filing of monthly tax and premium declarations due on 15 April 2020</li> <li>▶ Employers who wish to apply for the Payroll Support will had to have filed monthly tax and premium declarations not later than 24 April 2020. Payment is due not later than 4 May 2020.</li> <li>▶ Payroll Support Plan: Government will pay a maximum of 80% of the payroll of qualifying businesses for a period of maximum three months. Employers must have an active account for the SZV Employer Portal.</li> <li>▶ Lockdown Payroll Support Plan: employers that are not qualifying for the Payroll Support Plan but have a decline of revenue of more than 20% in the month of April 2020 as a result of the Lockdown are eligible for this support. In principle, the same conditions and requirements as for the Payroll Support Plan apply.</li> <li>▶ It is proposed to provide income support to sole proprietors, vendor license holders, bus and independent taxi and tour drivers who are facing revenue losses due to COVID-19. The Government is proposing to pay up to ANG 1,150 per month for the three months.</li> <li>▶ The Unemployment Program will pay ANG 1,150 to qualifying individuals for the months of April, May and June 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Suspension of audits.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Postponement of filing and payment of the 2019 provisional profit tax return until 30 June 2020</li> <li>▶ Extension of filing of final profit tax return</li> <li>▶ Suspension of tax audits</li> <li>▶ Postponement has been granted for filing the monthly tax and premium declarations due on 15 April 2020, to 4 May 2020. Employers who want to apply for the Payroll Support will have to file monthly tax and premium declarations not later than 24 April 2020. Payment is due not later than 4 May 2020.</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://www.sintmaartengov.org">www.sintmaartengov.org</a></li> </ul> |

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

[Return to jurisdiction list](#)

## Overview

- ▶ Due to the COVID-19 pandemic several tax relief measures have been implemented, 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 have to close - these companies have two options:
  - ▶ Contribution of up to EUR 880 per employee if they are not able to assign work for their employees, or
  - ▶ Flat contribution based on the decrease in revenue. The contribution is scaled based on the decrease, with maximum of EUR 540 per employee in case of more than 80% decrease.
- ▶ Previous limitations on support were lifted so the range of the support expanded to businesses of all sizes.
- ▶ 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 employer's part of social and health security contributions for March 2020 is postponed until 31 July 2020 in cases where company revenues decreased by more than 40%.
- ▶ In case of mandatory closures for at least 15 days in April 2020, the payment of social and health security is pardoned for April 2020.
- ▶ It is expected that postponement and pardon of payment of these contributions will be extended to further periods.

## VAT, GST and trade

- ▶ Generally, no material 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.
- ▶ Inability to fulfil these obligations will not result in the taxpayer's details being published in the list of tax debtors.
- ▶ Some restrictions on the accelerated refund of excess VAT have been lifted.

## 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.
- ▶ Unused tax losses from the 2015-2018 tax years can be used in the 2019 tax return, to a limit of EUR 1m.
- ▶ In the case of a decrease in revenues of more than 40% when compared to the prior year, taxpayers are not obliged to make tax prepayments. This applies from May 2020.
- ▶ Tax overpayments will be released by tax authorities within 40 days following the month in which the tax return was submitted.

## Links and resources

### Government materials

- ▶ <https://www.pomahameľ.udom.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 by 15 May 2020. Some of the measures have retroactive effect. On 28 April 2020, the Slovenian Parliament confirmed amendments of the abovementioned Act as well as the Act on provisional measures for judicial, administrative and other public matters to cope with the spread of infectious disease SARS-CoV-2 («ZZUSUDJZ»).
- ▶ 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 individual’s 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 minimum salary of the Republic of Slovenia. The Act provides that employers will be entitled to reimbursement of compensation not exceeding the average salary in the Republic of Slovenia in 2019, calculated per month, less the 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, or are at home due to force majeure. 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 compared to 2019. For cases where the employer was not performing business throughout 2019, the reduction in revenue is measured as the average monthly revenue in 2020 compared to average monthly revenue from 2019. Where the employer has not been in business in 2019, the employer could still be eligible for the state subsidy, should the average monthly revenue in 2020 decline be more than 10% in comparison to average monthly revenue up to 12 March 2020. 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) and have more than 10 employees on 12 March 2020.
- ▶ Absentees due to force majeure for which the employer does not claim state aid are also entitled to salary compensation of 80 percent of the individual’s average monthly full-time salary for the past three months. Such payment will not be lower than the minimum salary of the Republic of Slovenia. This rule overrules the provision of ERA regarding compensation for force majeure and is in effect for period to which this measures apply.
- ▶ **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 period from 13 March 2020 to 31 May 2020, with the possibility of extension until the end of June. The exemption also applies to contributions for occupational insurance, but not 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) with more than 10 employees on 12 March 2020. In addition, workers that are working during this period and whose salaries do not exceed three times the minimum wage (i.e., approximately EUR 2,820 gross per month) will be entitled to a crisis allowance of EUR 200. The allowance is exempt from taxation and should be prorated on days of actual work..
- ▶ **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).

**Overview (continued)**

- ▶ Where the beneficiary of the monthly basic income is insured for part-time, he/she will receive the pro-rated amount of monthly basic income. Monthly basic income will be exempt from all taxes and social security contributions. Where the measures are prolonged, the monthly basic income will be also paid for month of June by no later than 10 July 2020.
- ▶ Beneficiaries will receive exceptional assistance of EUR 350 for the month of March and EUR 700 for the months of April and May 2020 and potentially June 2020 respectively, if they have been in business from 13 March 2020 and when the Act comes into force. Special aid is available for those beneficiaries, whose revenue has reduced in 2020 by more than 10% in comparison to 2019. Where a self-employed person has not done business throughout 2019, the reduction in revenue is measured as the average monthly revenue in 2020 compared to average monthly revenue from 2019.
 

Where a self-employed person has not been in business in 2019, the self-employed person could still be eligible for the state subsidy, should the average monthly revenue in 2020 decline be more than 10% in comparison to average monthly revenue up to 12 March 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 submit the statement between 1 May and 31 May 2020, will receive the funds from FURS by 10 June 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 period of validity of the measures.
- ▶ Furthermore, it is foreseen that those self-employed persons who determine revenue based on accounting rules should consider for revenue purposes the net revenue of sales, determined based on accounting rules and compensation received from the benefits from parental protection insurance.
- ▶ **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 installments 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).
- ▶ **Tax relief for given donations:** Companies and sole entrepreneurs that donate their funds for the purpose of eliminating the effects of the COVID-19 epidemic paid to the specially opened transaction bank account of the Republic of Slovenia or other EU Member States, are eligible for the additional tax relief. Taxpayers who have income from business activity may, in addition to decreasing tax base in accordance with Article 59 of the Corporate Income Tax Act ("ZDDPO-2") or Article 66 of the Personal Income Tax Act (ZDoh-2), further reduce the tax base for the entire amount of donations made to address the effects of the COVID-19 epidemic.

**Overview (continued)**

- The amount of donations includes all payments made after 13 March 2020 and up to the decision of the Government of the Republic of Slovenia to close a specially dedicated transaction bank account for the purpose of eliminating the consequences of the COVID-19 epidemic. In order to claim the relief, the companies should follow the rules of provisions provided by the ZDDPO-2 and ZDoh-2.
- ▶ **Temporary VAT exemption on supplies:** The Mega Act also provide for exemption from payment of import duties and payment of VAT for the supply of protective and medical equipment from 13 March 2020 to 31 July 2020. The exemption applies only to goods that are intended for distribution free of charge to persons affected by the epidemic or goods given to free use by entities engaged in health care, provided that the goods remain the property of the authorities (including governmental bodies and local authorities) or charitable organizations. Besides, the goods need to be primarily delivered to a government body or organization, a local authority or other organization that is considered a charitable organization.
  - ▶ **Refund of received state aid:** Recipients of state aid that are in fact not entitled, will have to repay the received funds to the State. Namely, the companies which will distribute a profit (dividend), purchase their own shares or their own business share, or pay the reward and part of the salary for business performance to management in 2020 or later for 2020, are obliged to inform the tax authorities. The Tax Authorities will then issue a Decree regarding the refund of received state aid with penalty interest. Penalty interest would be calculated for period from when the state aid was given to the company and up to the time the state aid is returned.
  - ▶ **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 installments 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.
  - ▶ The rule on serving in urgent matters, which provides that serving of decisions, orders and other documents in administrative matters which are not urgent and which pursuant to Article 87 of the General Administrative Procedure Act must be served in person, can be performed by serving in a house-box, mail-box or in the electronic box of the addressee. Documents in this case would be considered served on the sixth working day from the date of dispatch, if served abroad in physical form, on the twentieth working day from the date of dispatch, unless the addressee received them at a later date. The burden of proof as to the date of receipt of the documents in question shall be borne by the governing body, who can verify the receipt by telephone, electronically or otherwise. In the absence of proof of receipt, documents shall be served again. Serving rules do not apply to non-urgent offence cases.

## 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/>

## 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 (the Draft Bills).
- ▶ On 23 April 2020, National Treasury released a Media Statement detailing further tax measures to combat COVID-19. These additional tax measures were incorporated into the Draft Bills on 1 May 2020.

## Personal tax

- ▶ For individual taxpayers, the tax-deductible limit for donations will be increased from 10% to 20% of taxable income for Solidarity Fund donations during the 2020/21 tax year. This applies to donations actually paid or transferred to the Solidarity Fund by the end of the year of assessment of the donor. The proposed amendment is deemed to have come into operation on 1 April 2020 and applies until 28 February 2021.
- ▶ For the period 1 April 2020 to 30 September 2020, employers can factor in Solidarity Fund donations made on behalf of an employee of 33.3% (for three months) or 16.66% (for six months) of an employee's monthly salary when calculating employees' tax.
- ▶ A COVID-19 Temporary Employer-Employee Relief Scheme (COVID-19 TERS) has been introduced to pay employees a portion of their salary during the temporary closure of their employer's businesses. This will be facilitated by the Unemployment Insurance Fund. Employees may receive a salary benefit up to a maximum of R17 712 per month, based on an income replacement scale ranging from 38% to 60%.
- ▶ The TERS relief also allows access to an illness benefit for employees who either self-quarantine without a medical certificate or who quarantine upon consultation with a medical practitioner.
- ▶ To access the TERS relief, the employer must be registered for Unemployment Insurance Fund (UIF) and the employer's closure must be directly linked to the COVID-19 pandemic.

## 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.
- ▶ From May 2020, smaller VAT vendors in a net refund position will be temporarily permitted to file VAT returns monthly, instead of once every two months, thereby unlocking input tax refunds more rapidly.
- ▶ Excise duty payments due in May 2020 and June 2020 on alcoholic beverages and tobacco products will be deferred by 90 days for excise-compliant businesses.

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

[Return to jurisdiction list](#)

## Business tax

- ▶ From 1 April 2020 to 31 July 2020, tax-compliant Small, Micro and Medium-Size Enterprise (SMME - a business with gross income not exceeding R100 million) will be able to defer 35% of their employees' tax liabilities. The deferred liability must be settled over six months (from 1 August 2020 to 31 January 2021).
- ▶ 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.
- ▶ Businesses with a gross income of less than R100 million can apply for additional payment deferrals without incurring penalties.
- ▶ Businesses with a gross income exceeding R100 million that can show they are incapable of making payments due to COVID-19, may apply directly to SARS to defer tax payments without incurring penalties.
- ▶ A four-month holiday for Skills Development Levy contributions by employers (1% of total salaries), beginning 1 May 2020 and ending on 31 August 2020. This is a suspension (not a deferral), and as a result, employers will not become liable for these amounts after 31 August 2020.
- ▶ The Employment Tax Incentive (ETI) is expanded for tax-compliant employers from 1 April 2020 until 31 July 2020, by increasing the maximum monthly ETI claim (by R750) for eligible employees and also extending the ETI to employees that would not otherwise qualify (due to time or age) where those employees earn less than R6,500 a month. SARS will also increase the schedule of Employment Tax Incentive (ETI) reimbursements payments from twice per year to monthly.
- ▶ A three-month delay in the filing and payment of Carbon Tax from 31 July 2020 to 31 October 2020.
- ▶ The 2020 Budget tax proposals to restrict the net interest expense deduction to 30% of earnings and to limit an assessed loss carried forward to 80% of taxable income, were to be effective for tax years commencing on or after 1 January 2021. These measures will be postponed to 1 January 2022.
- ▶ A COVID-19 disaster relief organization will (on application and approval by SARS) be deemed to be a public benefit organization (PBO). The approval will only apply for a period of four months (1 April 2020 to 31 July 2020). These PBOs qualify for tax-exempt status. Donations made to a COVID-19 disaster relief organization during the period 1 April 2020 to 31 July 2020 will be tax deductible to the donor (limited to 10% of taxable income). Donations made to or by these PBOs will be exempt from Donations Tax.
- ▶ In addition, any amounts received or accrued from a COVID-19 disaster relief organization will not be subject to employees' tax (for the period 1 April 2020 to 31 July 2020). Such payments will, however, be subject to tax in the hands of the employee on assessment.
- ▶ For corporates, the tax-deductible limit for donations made to the Solidarity Fund will be increased from 10% to 20% of taxable income. This applies to donations paid or transferred to the Solidarity Fund by the end of the donor's year of assessment. With regard to companies, the proposed amendments are deemed to have come into operation on 1 April 2020 and apply until the year of assessment ending on or after 1 January 2021.

## Links and resources

### Government materials

- ▶ <https://www.sars.gov.za/AlIDocs/LegalDoclib/Drafts/LAPD-LPrep-Draft-2020-26%20-%20Revised%20Draft%20Disaster%20Management%20Tax%20Relief%20Bill%20-%201%20May%202020.pdf>
- ▶ <https://www.sars.gov.za/AlIDocs/LegalDoclib/Drafts/LAPD-LPrep-Draft-2020-27%20-%20Revised%20Draft%20Disaster%20Management%20Tax%20Relief%20Administration%20Bill%20-%201%20May%202020.pdf>
- ▶ <https://www.sars.gov.za/AlIDocs/LegalDoclib/Drafts/LAPD-LPrep-Draft-2020-28%20-%20Draft%20EM%20on%20the%20Revised%20Draft%20Disaster%20Management%20Tax%20Relief%20Bill%20-%201%20May%202020.pdf>

## Overview

- ▶ On 27 February 2020, the Korean National Tax Service announced that it will allow a one-month filing extension for corporate income tax returns for taxpayers located in a specific area, (such as Daegu) due to COVID-19. The normal filing due date is three month after the end of fiscal year.
- ▶ On 17 March 2020, the Korean National Assembly Strategy and 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 three 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 2020 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 2020.

## 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 2020.

## Business tax

- ▶ The term of administrative and court procedures are suspended and deadlines are “interrupted” (including tax and penalty procedures).
- ▶ The Statute of Limitations (SoL) and expiry periods of any actions and rights will be suspended during the period of validity of the State of Alarm and, if necessary, of any extensions adopted. Therefore, among others, the four-year SoL period is suspended.
- ▶ Royal Decree 465/2020 clarifies that deadlines to file periodic returns (such as the CIT return) are not suspended.
- ▶ Royal-Decree Law 8/2020 establishes an extension of the debt payment terms tax on voluntary or executive period, as well as in the pressing (*apremio*) procedure; and (b) deadlines for the formalities of tax procedures as, sanction or *ex officio* review (information requirements or seizures, allegations).
- ▶ Such an extension of time does not affect the payment of periodic self-assessment returns/liquidations, but only liquidations drawn by the Administration and debts in the executive period.
- ▶ This expansion takes place until 30 April 2020 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 2020.

## Links and resources

### EY materials

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

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

[Return to jurisdiction list](#)

| Overview   | Personal tax  | GST, VAT and Trade   | Business tax  | Links and Resources  |
|--|---|--|---|--|
| <ul style="list-style-type: none"> <li>▶ The Cabinet of Ministers of the newly appointed Government of Sri Lanka proposed many changes to tax policy in fulfillment of the election pledge under the Economic Revival Initiative. Tax policy reforms under this initiative were proposed prior to COVID-19 pandemic and are still in the process of implementation.</li> <li>▶ There have not been any significant tax policy changes or administrative measures adopted in response to COVID-19 yet. However, plans are developing for measures to mitigate the impact of COVID-19 and the island-wide lockdown on the statutory and other obligations of taxpayers.</li> </ul> | <ul style="list-style-type: none"> <li>▶ There have not been any policy changes proposed or implemented in relation to Personal Tax.</li> <li>▶ However, a mechanism for payment of tax on employment income through the employer was reintroduced and the authorities are currently in the process of issuing the required regulations and guidelines in this regard.</li> </ul> | <ul style="list-style-type: none"> <li>▶ No policy changes have been made in relation to VAT, but deferral of the deadlines for filing of VAT Returns and payment of VAT has been implemented administratively.</li> <li>▶ Payment of VAT including VAT on Financial Services for the month of February (which was due on 20 March 2020) and payment for the month of March (which is due on 20 April 2020) have both been deferred until 30 April 2020.</li> <li>▶ In addition, the deadline for filing a VAT Return for the month of February which was due on 31 March 2020 has been deferred until 30 April 2020.</li> </ul> | <ul style="list-style-type: none"> <li>▶ There have not been any specific policy changes or any tax relief for Business Tax proposed or implemented.</li> <li>▶ However, the Government is contemplating providing relief concessions to businesses, especially to Small and Medium Enterprises post COVID-19 and such proposals may include tax benefits.</li> </ul> | <p><b>Government resources</b></p> <ul style="list-style-type: none"> <li>▶ <a href="http://www.ird.gov.lk/en/sitepages/News%20and%20Notices.aspx">http://www.ird.gov.lk/en/sitepages/News%20and%20Notices.aspx</a></li> <li>▶ <a href="http://www.treasury.gov.lk/web/guest/news-room">http://www.treasury.gov.lk/web/guest/news-room</a></li> <li>▶ <a href="https://www.cbsl.gov.lk/#">https://www.cbsl.gov.lk/#</a></li> </ul> |

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

## Overview

- ▶ Postponement of the payment of Property Tax from June to September 2020.
- ▶ Waiver of payments for consumption of water for the period April to June 2020 for individuals who have been laid off by businesses or experience a reduction in earnings as a consequence of COVID-19.
- ▶ Waiver of payments for the consumption of water by farmers for six months (April to September 2020).
- ▶ The Development Bank of St. Kitts and Nevis will facilitate a loan repayment moratorium for six months and the waiver of all applicable late fees and charges to support customers who are impacted by the loss of income due to COVID-19
- ▶ The St. Kitts Electricity Company and the Nevis Electricity Company will implement a moratorium on payments for electricity services for affected businesses and individuals for a three-month period, April to June 2020.
- ▶ The Government will reprioritize and accelerate the pace of implementation of approved Capital Projects that could have a direct positive impact on the economy.

## VAT, GST and Trade

- ▶ Removal of VAT and Import Duty for a period of six months on the following hygiene items:
  - ▶ Hand sanitizers
  - ▶ Hand sanitizer dispensing machine
  - ▶ Disinfecting wipes
  - ▶ Rubbing alcohol
  - ▶ Gloves
  - ▶ Masks
  - ▶ Protective gowns
- ▶ Removal of Import Duty and Customs Service Charge for six months on the following:
  - ▶ Vegetables
  - ▶ Fruits
  - ▶ Fruit juices
  - ▶ Cough and cold preparations
  - ▶ Vitamins

## Business tax

- ▶ Reduction of the Corporate income tax rate from 33% to 25% for the period April to June 2020 for businesses that retain at least 75 percent of their employees.
- ▶ Reduction of the Unincorporated Business Tax rate by 50% from 4% to 2% for the period April to June 2020.

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Government is in discussion with Insurance companies to provide assistance to persons affected by COVID-19.
- ▶ The assistance being considered is in the form of premium insurance certificates, whereby individuals would receive a moratorium on the payment of their insurance premiums, however they would still be provided with insurance coverage.
- ▶ The Government has ordered a suspension of all rental payments for six months for Small, Medium and Micro-sized Enterprises (SMMEs) renting from Government who demonstrate loss of business due to COVID-19.
- ▶ Moratorium on bank loan repayments (principal and interest) for six months
- ▶ Displaced workers and businesses adversely affected by the COVID-19 pandemic will obtain relief from the commercial banks from April to September 2020. Government is working toward similar relief with Credit Unions.
- ▶ The Government is working closely with the Saint Lucia Bankers Association, the Eastern Caribbean Central Bank, the Caribbean Development Bank, the World Bank, and the other international development partners to seek financial assistance which includes a moratorium on debt payments, grant funding, policy based loans and budgetary support.

## Personal tax

- ▶ **Extension of time for filing of Income Tax Returns by one month:** This pertains to all individuals, enterprises, companies and other entities. Persons and entities are all encouraged to use the Inland Revenue Department's Electronic Filing Platform to file their tax returns and make payments online, as it is a convenient, safe and reliable medium.
- ▶ **Waiver of Interest and Penalties for March 2020 :** All payment due dates for the months of April to September will be extended by one month. Personal income tax payment due on 31 March 2020 will now be due on 30 April 2020.

## VAT, GST and trade

- ▶ **Waiver of Interest and Penalties on all Tax types for March 2020:** All payment due dates for the months of April to September will be extended by one month. Value Added Tax (VAT) payments due on 21 April 2020 will now be due on 21 May 2020.
- ▶ **Commencement of Duty Free Barrel Concessions:** Duty free concessions on the importation of barrels is proposed to begin in June 2020.
- ▶ **Concessions to Companies that produce Sanitation and Healthcare products:** These products include face masks and hand sanitizer. The Government also encourages local entrepreneurs to produce alternatives to Vitamin C supplements for local consumption.
- ▶ **Incentives to support the manufacturing of Household Cleaning Items such as bleach, soap powders, disinfectants and liquid soap.**

## Business tax

- ▶ **Extension of time for tax payments:** an extension of time will be granted for corporate income tax installment payments due on 31 March, 30 June and 30 September 2020. The extension of time is for one month in each instance.
- ▶ **Extension of time for filing of Income Tax Returns by 1 month:** This pertains to all individuals, enterprises, companies and other entities. Persons and entities are all encouraged to use the Inland Revenue Department's Electronic Filing Platform to file their tax returns and make payments online, as it is a convenient, safe and reliable medium.
- ▶ **Waiver of Interest and Penalties on all Tax types for March 2020:** All payment due dates for the months of April to September will be extended by one month. For example, Value Added Tax (VAT) payments due on 21 April 2020 will now be due on 21 May 2020.
- ▶ **Tax Credit to Companies and other entities which retain at least 30% of their staff:** the tax credit will be tiered, based on the number of employees that are retained by the entity. The company will be required to obtain a tax clearance certificate to show that they are current in their payment of taxes.

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 9 April 2020, Suriname's Minister of Finance issued an announcement with tax measures to alleviate the cash flow challenges faced by corporations and individuals due to COVID-19.

## Personal tax

- ▶ The ultimate filing date for the preliminary tax return for the year 2020 has been extended from 15 April to 15 June 2020. Accordingly, no fines and interest will be imposed during the extension period.
- ▶ The filing date for personal income tax return for the year 2019 remains in accordance with the statutory due date of 30 June 2020.
- ▶ Based on the applicable Suriname tax legislation, any amount due and payable upon the filing of the preliminary tax returns for the year 2020, could be paid in four equal installments on 15 April, 15 July, 15 October and 31 December 2020. The timing of the quarterly payments will remain in force except for the revised payment date of the first installment, which has been extended from 15 April to 15 June 2020.
- ▶ Taxpayers who are experiencing cash flow challenges because of COVID-19 can submit a substantiated request to the Tax Collector of Direct Taxes to qualify for a deferred payment arrangement.

## VAT, GST and trade

- ▶ The tax authorities will be lenient with the filing and payment dates for turnover tax for the taxable periods of March, April, May and June 2020, provided the taxpayer submits a request for the postponement of the filing of the returns and payment of any turnover tax due on these returns.

## Business tax

- ▶ The ultimate filing date for the preliminary tax return for the year 2020 has been extended from 15 April to 15 June 2020. Accordingly, no fines and interest will be imposed during the extension period. The filing date for corporate income tax return for the year 2019 however remains as 30 June 2020.
- ▶ The timing of the first quarterly payments due upon filing of the preliminary tax return for the year 2020 has been extended from 15 April to 15 June 2020.
- ▶ The tax authorities will be lenient with the filing and payment dates for wage taxes for the taxable periods of March, April, May and June 2020, provided the taxpayer submits a request for the postponement of the filing of the returns and payment of any wage tax due on these returns.
- ▶ Taxpayers who are experiencing cash flow challenges because of COVID-19 can submit a substantiated request to the Tax Collector of Direct Taxes to qualify for a deferred payment arrangement.
- ▶ Postponement of free assistance by the Tax Authorities with the drafting and filing of corporate tax returns.

## Links and resources

### EY materials

- ▶ [https://www.ey.com/en\\_gl/tax-alerts/suriname-announces-tax-measures-to-mitigate-impact-of-covid-19](https://www.ey.com/en_gl/tax-alerts/suriname-announces-tax-measures-to-mitigate-impact-of-covid-19)

## Overview

- ▶ The Government has introduced a set of measures to mitigate the economic effects of COVID-19.
- ▶ As regards tax related measures, some tax payments may be postponed and in some cases even repaid. Employers' social security contributions may be reduced definitively for March-June 2020 for a maximum of 30 employees.
- ▶ There are also several non-tax related measures:
- ▶ To avoid layoffs as an effect of the general downturn in demand, new rules on short-time work with state aid have been introduced. The rules allow for the employer's salary costs to be reduced by up to half while the employee receives more than 90 percent of his or her salary, applying to salaries up to 44,000 SEK/month. The rules have entered into force on April 7, 2020, but have retroactive effect from March 16, 2020. On 14 April 2020 the Government announced that the maximum reduction of the salary cost will from 1 May 2020 be increased to 72% while the employee receives 88% of the salary (at 80% work time reduction).
- ▶ Cashflow support is granted in different ways. For instance, the State takes 70% of the risks on new credit facilities to companies and expands lending and credit guarantees to companies from several state owned bodies.
- ▶ Further, the State will pay half of reductions up to 50% of fixed rental costs for certain industries particularly affected by the economic effects of the COVID-19 offered by landlords, i.e., a maximum subsidy of 25% of the rent. Applies 1 April to 30 June 2020.
- ▶ The state will temporarily take over the responsibility for employers' compensation for employees' sick leave during the first fourteen days of sickness absence. This will have effect during April and May 2020.
- ▶ Changes in the unemployment insurance have been introduced, lowering the requirements for being eligible for compensation and raising compensation levels.
- ▶ Law proposal on state funded support for companies with an annual turnover exceeding SEK 250k facing an income reduction of at least 30% in March and April 2020 compared to March and April 2019 due to COVID-19. The size of the support will be dependent on the size of income reduction, but can vary between 22.5-75% of the company's fixed costs, excluding salary costs, up to an amount of SEK 150m per company. Aim is to enforce the law proposal as of 1 July 2020.

## Personal tax

- ▶ Tax returns for individuals prepared by accounting or book keeping firms may be filed later than usually, i.e., 15 June 2020, instead of 18 May 2020.
- ▶ 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.

## VAT, GST and trade

- ▶ Temporary rules on the deferral of VAT payments will be in effect from 30 March 2020, but with retroactive effect from 1 January 2020, meaning that VAT already paid may be reclaimed. VAT payments relating to a maximum of three months during the period January to September 2020 may be deferred for up to a year. Deferral will be denied only for special reasons. There will be an annual interest cost of 1.25% and 0.3% monthly fee, which are non-deductible. The cost will be reduced: For the first six months only 1.25% interest is charged, Thereafter, a 0.2% monthly fee will also apply.

## Business tax

- ▶ Temporary rules on deferral of payments of employers' social security contributions and preliminary taxes withheld from employees' salaries in effect from 30 March 2020. Tax payments relating to a maximum of 3 months during January-September 2020 may be deferred for up to a year. Taxes paid may be reclaimed. Deferral will be denied only for special reasons. Cost: 1,25% annual interest + 0,3% monthly fee, non-deductible. The cost will be reduced: For the first six months only 1.25% interest is charged, Thereafter, a 0.2% monthly fee will also apply.
- ▶ Reduction of employers' social security contributions on salary payments during March-June 2020. The reduction is capped to 30 employees/company and to a salary of 25,000 SEK/month.
- ▶ For sole proprietors and individuals owning shares in partnerships, social security fees are reduced from 28.97% to 10,21% for business income up to 100,000 SEK for 2019. Also new rules for allocating 100% of taxable income for 2020 to tax allocation reserve.

## Other measures

- ▶ Changes to the unemployment insurance and payment of sick pay also for first sick day (qualifying day).

## Links and resources

### Government materials

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

### EY materials

- ▶ [Responding to COVID-19](#)
- ▶ [https://assets.ey.com/content/dam/ey-sites/ey-com/sv\\_se/topics/tax/pdf/ey-government-support-package-sweden.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/sv_se/topics/tax/pdf/ey-government-support-package-sweden.pdf)
- ▶ [Corona virus \(COVID-19\), The most important labor law issues in the Nordic counties \(UPDATED\)](#)
- ▶ <https://skattenatet.ey.se/2020/03/25/social-security-coverage-for-commuters-in-the-oresund-region-during-covid-19/>
- ▶ <https://skattenatet.se.ey/>

## Overview

- ▶ The Federal Council has decided to establish a guarantee program for business bridge loans of SMEs in the amount of CHF 50bn which is expected to be increased up to CHF 60bn in May. According to this measure, the Confederation provides guarantees for credit facilities of SMEs as follows: 100% guarantee for loans up to CHF 0.5m with 0% interest; 85% guarantee for loans from CHF 0.5m to CHF 20m with 0.5% interest, loans above CHF 20m require a case-by-case decision.
- ▶ Up to CHF 8bn can be claimed for short-time working compensation from the unemployment insurance fund. On 20 May 2020 the Federal Council has decided to add CHF 14.2m to the unemployment insurance fund and to stepwise phase out measures against unemployment.
- ▶ Compensation of 80% of income to a maximum of CHF 196 per day for loss of earnings for self-employed persons for the following cases: i) school closures, ii) medically prescribed quarantine, iii) closure of an independently managed publicly accessible business, and iv) the regulation also applies to freelance artists.
- ▶ Compensation for loss of earnings for employees in the maximum amount of CHF 196 per day are available for parents who need to take care of their children due to school closures (limitation to 10 daily allowances for persons undergoing quarantine measures).
- ▶ Emergency aid and compensation of approx. CHF 400m is available for cultural sector, sports organizations and tourism sector.
- ▶ Up to CHF 4.5m can be applied for defaults in connection with (trade fair) activities of the official export promoter S-GE.

## Personal tax

- ▶ Several Cantons have extended the deadlines (usually 31 March 2020) for handing in Personal tax declarations for 2019.
- ▶ The deadline extensions vary between cantons. While Zurich and Basel for example have prolonged the deadline until 31 May 2020, Bern has extended the deadline until 15 September 2020. Depending on how the situation evolves, deadlines could be changed again. For the latest information, please check the respective tax authority's website.
- ▶ Payment conditions for already issued tax bills are said to be handled accommodative in several cantons.
- ▶ For Federal tax bills due between 31 March 2020 and 31 December 2020, no interest on late payments will be charged.

## VAT, GST and trade

- ▶ Late payment interest has been reduced to 0% between 21 March 2020 and 31 December 2020.
- ▶ The existing deadlines therefore remain legally binding, however with the deferral granted, no penalties and interest are assessed.
- ▶ Taxpayers hence may be able to defer their VAT payments without triggering any late payment interest until the end of 2020.
- ▶ It is understood that the Swiss Federal Tax Administration (SFTA) intends to conduct daily operations in a normal manner - as far as possible.
- ▶ Customs duty on the import of important medical supplies are suspended from 10 April 2020 to 9 October 2020.

## Business tax

### Direct federal tax

- ▶ 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.
- ▶ installment plans and deferrals are possible upon application - procedures vary by canton/state

### Direct cantonal tax

- ▶ Cantons are publishing tax measures on an ongoing basis; after the Federal Council's communication of 20 March 2020, many will follow through with theirs in the upcoming days.
- ▶ Potential measures include extended filing deadlines, 0% late payment interest, dunning stops, additional debt enforcement holidays to the Federal ones and similar are being considered or have - in single instances - been decided (e.g., Berne)

## Other measures

### Berne:

- ▶ Aggregate value of measures implemented by the Federal Council amounts to CHF 50bn (potential increase up to CHF 60bn).
- ▶ Liquidity assistance for SMEs (guarantee program worth CHF 30bn (increase from CHF 20bn to CHF 30bn was approved on 4/8/2020) for liquidity shortfalls; extended payment deadlines for suppliers; legal standstill).
- ▶ Extension and simplification of short-time working.
- ▶ Compensation for loss of earnings for self-employed persons.
- ▶ Compensation for loss of earnings for employees.
- ▶ Sector-specific support (cultural, sports, tourism).

### Schaffhausen:

- ▶ Incoming vendor invoices are immediately checked by the cantonal administration and payments are processed as quickly as possible.
- ▶ For existing customer invoices, a dunning stop is in force until 19 April 2020.
- ▶ The payment deadlines for invoices from the canton are extended to 120 days.
- ▶ Municipalities and public-law institutions as well as companies organized under private law are requested to do the same.
- ▶ Employee support program: Enterprises, self-employed persons or private law institutions can receive compensation for damage caused by a case of negligence.
- ▶ They must suffer losses of income due to the COVID-19 and their disadvantages may not be cushioned or not sufficiently cushioned in any other way, namely by federal measures. Applications must be submitted to the Department of Economic Affairs.
- ▶ Loans or loan guarantee program: The canton is providing CHF 30 million as a guarantee framework.

The guarantees are subsidiary and supplement the federal liquidity support. The canton provides 85% coverage for bank loans up to a maximum of CHF 500,000. The interest rate is based on the federal requirements. Credit applications must be submitted to the bank. The bank applies to the Department of Economic Affairs for a cantonal guarantee

- ▶ Other: Financial assistance of up to CHF 5 million is available to support cultural enterprises, creative artists or cultural associations in the lay sector as well as sports organizations. These serve to mitigate the financial loss caused by the cancellation or postponement of events or the closure of cultural institutions. The Confederation only partially covers these damages and requires the cantons to contribute to the same extent.

## Other measures

### Solothurn:

- ▶ Bridging assistance for self-employed
- ▶ Aggregate value of measures implemented by the Federal Council amounts to CHF 50bn (potential increase up to CHF 60bn)
- ▶ Liquidity assistance for SMEs (guarantee program worth CHF 30bn (increase from CHF 20bn to CHF 30bn was approved on 4/8/2020) for liquidity shortfalls; extended payment deadlines for suppliers; legal standstill)
- ▶ Extension and simplification of short-time working
- ▶ Compensation for loss of earnings for self-employed persons
- ▶ Compensation for loss of earnings for employees
- ▶ Sector specific support (cultural, sports, tourism)

### Appenzell Ausserrhoden

- ▶ Additional loans on favorable terms available to companies affected by COVID-19.

### Appenzell Innerrhoden

- ▶ Additional loans on favorable terms available to companies affected by COVID-19.

## Links and resources

### Government materials

- ▶ <https://www.admin.ch/gov/en/start/documentation/media-releases/media-releases-federal-council.msg-id-78572.html>
- ▶ <https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78573.html>
- ▶ <https://www.newrealityblog.com/2020/03/25/covid-19-swiss-relief-measures-around-tax-payments-and-deadlines/>
- ▶ <https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen/bundesrat.msg-id-78515.html>
- ▶ <https://www.bag.admin.ch/bag/de/home/das-bag/aktuell/medienmitteilungen.msg-id-78437.html>
- ▶ <https://www.newrealityblog.com/2020/03/20/covid-19-the-cross-border-movement-impact-key-observations>
- ▶ <https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-78684.html>

## Overview

- ▶ On 15 March 2020, the government introduced set of precautionary measures to protect employees and companies from the impact of COVID-19.
- ▶ On 18 March 2020, the Central Bank of Syria (CBS) issued a decision to suspend requesting cash coverage in Syrian pounds (SYP) for imports, to ensure importing the necessary goods without any delay. The suspension is valid until 25 June 2020.
- ▶ On 23 March 2020, the Syrian Commission of Financial Markets and Securities issued a decree to extend the disclosure of 2019 financial statements until 23 April 2020.
- ▶ On 24 March 2020, the Prime Minister issued a decision to limit the trading in Damascus Securities Exchange (DSE) to one day per week.
- ▶ On 26 March 2020, the Central Bank of Syria (CBS) issued decision No. 592 to unify the exchange rate of the Banking and Exchange Bulletin issued by CBS, which is currently 700 Syrian pounds per US dollar to all transactions in foreign currency, except for imports of basic commodities according to the contracts concluded with both the Syrian Trade Company and the General Foreign Trade Corporation which is still using the exchange rate of 438 Syrian pounds per US dollar.
- ▶ On 26 March 2020, the Monetary and Credit Board issued decision No. 25 which allows operating banks and after studying the cash flows for clients affected by the consequences of the spread of COVID-19, to postpone all installments due to customers for a period of 3 months and for one time, without affecting the customer's credit rating and without any interests or penalties.
- ▶ 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.
- ▶ 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.
- ▶ On 9 April 2020, suspending the classification of bank accounts as static.
- ▶ On 15 April 2020, the Council of Ministers agreed to start electronic payments and pay electricity, communication and transportation bills through accredited banks accounts.
- ▶ On 20 April 2020, the 2019 financial statements disclosure deadline was extended.
- ▶ On 17 May 2020, the Ministry of Finance issued a circulation in which real profit taxpayers with tax return submission deadline ending on 31 May 2020 were granted an extension for 30 days till 30 June 2020.
- ▶ On 17 May 2020, a decision was taken to reopen the trading at DSE throughout the week.
- ▶ On 18 May 2020, the Syrian Commission of Financial Markets and Securities issued Circulation No. 22, concerning the approval of publishing the invitation to attend the general assembly meetings and publishing the annual financial statements in the e-newsletter of local newspapers, effective for two months from the issuance date of this decision.

## Personal tax

## VAT, GST and trade

## Business tax

## Links and resources

- ▶ 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.
- ▶ Tax returns with a deadline on 31 May 2020 are granted an extension for 30 days which will end on 30 June 2020.

### Government materials

- ▶ <http://www.dse.sy/news/view/4461>

## 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 approved connected with the statute is NT\$210 billion (approximately US\$7 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).
- ▶ The government released several non-tax measures to support business enterprises, including interest subsidies, loan guarantees, technology upgrade assistance including cash grant, employee education subsidy or free training courses on smart machinery and digital transformation, etc.

## Personal tax

- ▶ Individual tax filing and payment deadline of 1 June 2020 is extended to 30 June 2020. If taxpayer has still been placed in quarantine by the end of extension, another 20 days (counted from the end of quarantine) of extension could be granted.
- ▶ Individual who uses e-filing or files paper return before 11 May 2020 can receive tax refund by 30 June 2020, instead of by 31 July 2020.
- ▶ Individual who has difficulty in settling tax payments due to the impact of COVID-19 may file an application for an extension to pay not exceeding one year or installment payment plan not exceeding 36 months in accordance with Article 26 of Tax Collection Act.
- ▶ Government subsidies, grants, allowances, rewards and compensations received by the COVID-19 affected individual under the Statute are exempt from personal income tax.

## 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.
- ▶ Custom duty on the import of surgical/health masks is temporarily reduced from 7.5% to 0%. Custom duty on import of medicinal alcohol raw materials is temporarily reduced from 20% to 10%.
- ▶ Import permit issued by Taiwan Food and Drug Administration is not required for medical/surgical masks imported for self-use, prior to or on 30 June 2020.
- ▶ An enterprise that has difficulty in settling tax payments due to the impact of COVID-19 may file an application for an extension to pay not exceeding one year or installment payment plan not exceeding 36 months in accordance with Article 26 of Tax Collection Act.
- ▶ The Ministry of Finance (MOF) has published an Operational Directions connected with refund of overpaid VAT (i.e., input VAT credit). Business entities that are impacted by COVID-19 can claim for a refund of overpaid VAT. The applicable period for such refund claim is from 15 January 2020 to 30 June 2021, and the cumulative amount of refund cannot exceed NT\$300,000 (approximately US\$10,000).

## 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 is 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 to pay not exceeding one year or installment payment plan not exceeding 36 months in accordance with Article 26 of Tax Collection Act.
- ▶ Government subsidies, grants, allowances, rewards and compensations received by the COVID-19 affected enterprises under the Statute are exempt from corporate income tax.
- ▶ Enterprises, which incur losses during the first quarter of fiscal year 2020 can reduce tax base of 2018 unremitted earnings tax by the estimated six-month loss. The estimated six-month loss is calculated based on the first quarter's actual loss extrapolated for another three months
- ▶ Enterprises, whose 2018 unremitted earnings is adjusted upward (the "additional earnings") due to adoption of new IFRS standards or amendment, can reduce tax base of 2018 unremitted earnings tax by distributing the additional earnings during the period from 15 January 2020 to 30 June 2021.

## Links and resources

### Government materials

- ▶ <https://law.moj.gov.tw/News/NewsDetail.aspx?msgid=153844>
- ▶ <https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=0d2f70d1ecbd41b4b0bc7aa3440a5040>
- ▶ <https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=3f079639bf5841e6901141ed9bc681ab>
- ▶ <https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=deed065032994534bbc28ab29af1347a>
- ▶ <https://www.moea.gov.tw/Mns/covid-19/home/Home.aspx>
- ▶ [https://web.customs.gov.tw/News\\_Content.aspx?n=F55943A3BAA86A6A&sms=1095B63D0846032B&s=41B0B0DF5093DC24](https://web.customs.gov.tw/News_Content.aspx?n=F55943A3BAA86A6A&sms=1095B63D0846032B&s=41B0B0DF5093DC24)
- ▶ [https://law.dot.gov.tw/law-ch/home.jsp?id=18&parentpath=0,7&mcustomize=newlaw\\_view.jsp&dataserio=202005040002](https://law.dot.gov.tw/law-ch/home.jsp?id=18&parentpath=0,7&mcustomize=newlaw_view.jsp&dataserio=202005040002)
- ▶ [https://law.dot.gov.tw/law-ch/home.jsp?id=18&parentpath=0,7&mcustomize=newlaw\\_view.jsp&dataserio=202005040001](https://law.dot.gov.tw/law-ch/home.jsp?id=18&parentpath=0,7&mcustomize=newlaw_view.jsp&dataserio=202005040001)
- ▶ <https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=11c6fbedbda44364ab1db9d825375d1c>

## Overview

On 10 March 2020, the Thai 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 allowances for donations of money
- ▶ 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

On 8 April 2020, the Excise Department published an Excise Notification to extend excise tax filing and payment by beverage and automobile producers for taxable months from 1 April 2020 to 31 May 2020 to 15 July 2020.

On 12 May 2020, the Revenue Department extended the deadlines for online filing and payment of certain types of direct and indirect tax returns, which fall between March and August 2020.

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

## Personal tax

- ▶ The personal income tax filing deadline and payment for the tax year 2019 has been extended, 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
- ▶ Expedite 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 1 June 2020, from 1 May 2020 to 31 May 2020 to 30 June 2020, from 1 June 2020 to 30 June 2020 to 31 July 2020, from 1 July 2020 to 31 July 2020 to 31 August 2020, from 1 August 2020 to 31 August 2020 to 30 September 2020 (for 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.
- ▶ Extend excise tax payment by beverage and automobile producers for taxable months from 1 April 2020 to 31 May 2020 to 15 July 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 follows:
  - ▶ From 3% to 1.5% from April 2020 to September 2020.
  - ▶ From 3% to 2% 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 1 June 2020, from 1 May 2020 to 31 May 2020 to 30 June 2020, from 1 June 2020 to 30 June 2020 to 31 July 2020, from 1 July 2020 to 31 July 2020 to 31 August 2020, from 1 August 2020 to 31 August 2020 to 30 September 2020 (for 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>
- ▶ [http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/030/T\\_0006.PDF](http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/030/T_0006.PDF)
- ▶ [https://www.dbd.go.th/download/PDF\\_law/dbdlaw\\_acc\\_balance63\\_ex\\_forcovid19\\_630325.pdf](https://www.dbd.go.th/download/PDF_law/dbdlaw_acc_balance63_ex_forcovid19_630325.pdf)
- ▶ [https://www.rd.go.th/publish/fileadmin/user\\_upload/kormor/newlaw/mfexcit2.pdf](https://www.rd.go.th/publish/fileadmin/user_upload/kormor/newlaw/mfexcit2.pdf)

### EY materials

- ▶ <https://sites.ey.com/sites/THTaxNewsletter/Documents/Flash%20News/Flash%20News%20200313%20EN.pdf>
- ▶ <https://sites.ey.com/sites/THTaxNewsletter/Documents/Flash%20News/Flash%20News%20200327%20EN.pdf>
- ▶ <https://sites.ey.com/sites/THTaxNewsletter/Documents/Tax%20Alert/Tax%20Alert%20200512%20EN.pdf>
- ▶ <https://sites.ey.com/sites/THTaxNewsletter/Documents/Tax%20Alert/Tax%20Alert%20200424%20EN.pdf>
- ▶ [https://portalone.ey.net/gui2/Document.aspx?d=/docs2/ey-uk/keeping-you-informed/2020/20200389\\_1000415386.pdf&sc=ITShhttp](https://portalone.ey.net/gui2/Document.aspx?d=/docs2/ey-uk/keeping-you-informed/2020/20200389_1000415386.pdf&sc=ITShhttp)
- ▶ <s://sites.ey.com/sites/THTaxNewsletter/Documents/Flash%20News/Flash%20News%20200515%20EN.pdf>
- ▶ <https://sites.ey.com/sites/THTaxNewsletter/Documents/Tax%20Alert/Tax%20Alert%20200417%20EN.pdf>

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

[Return to jurisdiction list](#)

## 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 2020.

## VAT, GST and trade

- ▶ Cash payments of VAT refunds of TT\$250,000 or less will be made from the week of 31 March 2020.
- ▶ 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 31 March 2020 to partially pay the VAT refunds in excess of TT\$500,000

## Business tax

## Links and resources

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

[Return to jurisdiction list](#)

## Overview

For the purpose of addressing the COVID-19 exceptional circumstances, the Tunisian government has adopted special measures to respond to the pandemic. In this regard, several decrees have been issued providing for tax, financial and social reforms in order to limit the economic and social repercussions of COVID-19.

The key measures adopted are set out as follows:

### Social measures:

- ▶ General total confinement started from 20 March 2020 and progressive lifting of confinement starting from 4 May 2020 that concerns essentially public institutions, a number of liberal professions, and financial sector institutions subject to a specific official authorizations.
- ▶ Adopting the work from home mode for most private business.
- ▶ Suspending the enforcement of a number of articles of the Tunisian Labor Code particularly those providing for:
  - ▶ The option of terminating a fixed-term or open-ended employment contract in the event of an impediment to execution resulting either from a fortuitous event of force majeure occurring before or during the execution of the contract.
  - ▶ Excluding the case of force majeure, the legal classification as abusive, the redundancy or lay-off occurring without the prior opinion of the regional commission or the central redundancy control commission.
  - ▶ The period during which the vacation leave is granted, which is from 1 June to 31 October of each year.

- ▶ The period of two months to recover hours lost as a result of a collective labor disruption in an establishment, or part of an establishment (due to the COVID-19 measures, the period is now within six months of the labor disruption).
- ▶ Suspension of limitation periods, and tax audit procedures deadlines from 23 March 2020 until the 15th day that follows the official date of confinement lifting decision.
- ▶ Suspension of recovery penalties from 1 April 2020, until the 15th day that follows the official date of confinement lifting decision.
- ▶ Suspension of late payment penalties from 1 April 2020 to 30 June 2020 for most affected companies (definition of most affected companies will be provided for by governmental decree).
- ▶ Wholly exporting companies operating in the food and health sectors are allowed to sell 100% instead of 30% of their goods on the local market.
- ▶ For the other wholly exporting companies, authorization to sell 50% instead of 30% of their goods on the local market.

### Financial measures:

- ▶ Managing and operating bank credits granted from 23 March 2020 to 31 December 2020 to most affected companies over a period of seven years with two years of grace (A guarantee line of 500 MD).
- ▶ Allocation for refinancing debt rescheduling credits granted to SMEs for the period from 23 March 2020 to 31 December 2020 (are excluded enterprises operating the real estate development, financial sector, retailing, oil and gas and telecom operators) as well as telecom operators.

## Personal tax

- ▶ Postponement of the monthly tax return date.
- ▶ Suspension of late penalties.

## VAT, GST and trade

- ▶ Facilitation of the VAT credit refund procedures.
- ▶ Amnesty for customs fines.
- ▶ Exemption from delay penalties in executing public contracts.
- ▶ Tax free statutory revaluation of built and non-built real estate properties.
- ▶ Exemption from VAT for drug distribution companies at the retail and wholesale stages.

## Business tax

- ▶ Extension of the deadlines until 31 May 2020, to file the annual tax return for CIT purpose, branch tax purpose and advance due by tax-transparent companies excluding companies subject to 35% CIT.
- ▶ Suspension of limitation periods, and tax audit procedures deadlines from 23 March 2020 until the 15th day that follows the official date of confinement lifting decision.
- ▶ Suspension of recovery penalties from 1 April 2020, until the 15th day that follows the official date of confinement lifting decision.
- ▶ Suspension of late payment penalties from 1 April 2020 to 30 June 2020 for most affected companies (definition of most affected companies will be provided for by governmental decree).
- ▶ Wholly exporting companies operating in the food and health sectors are allowed to sell 100% instead of 30% of their goods on the local market.
- ▶ For the other wholly exporting companies, authorization to sell 50% instead of 30% of their goods on the local market.
- ▶ Bank credit granted to most affected companies.
- ▶ Introduction of temporary exceptional contribution of one working day in April 2020 for employees.
- ▶ Deferral of social security charges.
- ▶ Exceptional indemnity granted to affected companies.

## Other

- ▶ Introduction of measures related to breaching competition and price rules.
- ▶ Suspension of a number of articles of the labor code.
- ▶ Introduction of measures to support SME's companies
- ▶ Other Miscellaneous measures.

## Links

### Government materials

- ▶ [http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX\\_47388-57-YCYjKyGrUH/AfficheJORT/SYNC\\_178590942](http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX_47388-57-YCYjKyGrUH/AfficheJORT/SYNC_178590942)
- ▶ [http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX\\_40828-34-TdpVQvBLIP/RechercheTexte/SYNC\\_70342692](http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX_40828-34-TdpVQvBLIP/RechercheTexte/SYNC_70342692)
- ▶ [http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX\\_40596-122-QZUgMjklyG/RechercheTexte/SYNC\\_67953520](http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX_40596-122-QZUgMjklyG/RechercheTexte/SYNC_67953520)
- ▶ [http://www.finances.gov.tn/sites/default/files/2020-03/com\\_coronavirus\\_01.pdf](http://www.finances.gov.tn/sites/default/files/2020-03/com_coronavirus_01.pdf)
- ▶ [http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX\\_47388-57-YCYjKyGrUH/AfficheJORT/SYNC\\_178590942](http://www.iort.gov.tn/WD12OAWP/WD120Awp.exe/CTX_47388-57-YCYjKyGrUH/AfficheJORT/SYNC_178590942)

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

[Return to jurisdiction list](#)

## Overview

- ▶ On 18 March 2020, Turkey announced a TL 100 billion (Approx. US \$15.4 billion) economic package titled the "Economic Stability Shield" designed to support the economy and reduce the impact of COVID-19.
- ▶ Turkey postpones debt payments and reduces the tax burden on various sectors as part of the package, 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 specific requirement to visit a tax office.
- ▶ On 24 March 2020, the Turkish Ministry of Finance and Treasury published a General Communiqué No. 518 in the Turkish Official Gazette. Only taxpayers and taxpayer groups listed in the General Communiqué can benefit from the force majeure tax practice.
- ▶ The list of taxpayers within the scope of force majeure tax practice include; retail trade and shopping centers, iron, steel and metal industries, 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.
- ▶ On 26 March 2020, the Law Regarding Amendments to Certain Laws no.7226 entered into force.
- ▶ On 17 April 2020, Turkey introduced new Law no. 7244 due to) COVID-19.

## Personal tax

- ▶ The filing date of the annual income tax return for individuals and the first installment payment date of the same have been extended to 30 April 2020. Due date of the second installment payment is set as 31 July 2020.
- ▶ Non-Turkish citizens will be able to make their Tax ID requests through the web application ([ivd.gib.gov.tr](http://ivd.gib.gov.tr)).
- ▶ 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.
- ▶ Turkey has implemented short-time working payment system.
- ▶ The legal amendments which provide significant advantages in the existing criteria to benefit from short-time working allowance has been released within the Law No. 7226.

## VAT, GST and trade

- ▶ The VAT rate for domestic flights lowered from 18% to 1% for the period between 1 April 2020 - 30 June 2020 (including these dates).
- ▶ The due dates for the declaration and payment of the VAT Tax return for the 2020/February and 2020/March period have been extended to 28 April 2020.
- ▶ The due date 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 due dates for VAT return filings and Ba-Bs form notifications to be made by April, May and June have been extended to 27 July 2020 for taxpayers within the scope of force majeure. The due date of tax payments relating to VAT of taxpayers who are accepted to be under force majeure have been deferred for six months.
- ▶ Partial reverse charge VAT will not apply to taxpayers within the scope of force majeure situation.
- ▶ Principles and procedures regarding VAT refund application for force majeure period have been introduced.

## Business tax

- ▶ The levying of accommodation tax is suspended until 1 January 2021 by Law No. 7226.
- ▶ The due dates for filing and payment of the Corporate Income Tax returns for the 2019 financial year, both originally 30 April 2020, are extended to 1 June 2020.
- ▶ 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.
- ▶ The period of the creation and signing of the Electronic Ledgers and the upload of the Electronic Book Statements to be made by 30 April 2020 have been extended to 1 June 2020.
- ▶ The registration period of Bookkeeping Declaration System for taxpayers subject to simple entry for the period January-February-March 2020 period has been extended until 31 July 2020.
- ▶ Due dates of WHT filings, Ba-Bs form notifications and the creation and signing of the Electronic Ledgers and the upload of the Electronic Book Statements to be made by April, May and June have been extended to 27 July 2020 for taxpayers within the scope of force majeure.
- ▶ The due date of tax payments relating to these withholding tax returns and social security premium of taxpayers who are accepted to be under force majeure have been deferred for six months.

## Other measures

- ▶ Some of the significant amendments made under Law no. 7244 are as follows:
  - ▶ A partial temporary ban on dividend distribution (distribution allowed only up to 25% of the net profit for the period of 2019 until 30 September 2020). The president is authorized to extend this date.
  - ▶ If decided by the Ministry of Technology, without losing the incentives, R&D activities can be performed outside of the respective R&D centers, for a limited period of four months from 11 March 2020.
  - ▶ Workers taking unpaid leave are granted cash wage support from the Unemployment Insurance Fund.
  - ▶ The portion of the annual announcement and advertisement taxes and annual environmental cleaning taxes, corresponding to the periods when the activities are stopped or unable to operate, will not be collected.
  - ▶ The termination of all kinds of employment contracts by the employer (except for cases that do not comply with the rules of ethics and goodwill and similar reasons) is prohibited for three months.
- ▶ Any kind of petition to the tax office that must be submitted by 10 April 2020 must be submitted electronically via the website ([ivd.gib.gov.tr](http://ivd.gib.gov.tr)), mobile application (GIB Mobil).
- ▶ 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.
- ▶ On 30 April 2020, a cessation duration was introduced to prevent loss of judicial rights. The duration is the period between 1 May 2020 and 15 June 2020 (including these dates, subject to further amendment if the outbreak ends sooner than expected). Accordingly lapse of time regarding use of or ending of rights such as litigation, warning, objection, complaint and application will continue at the end of the cessation duration.

## 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/sgk-sirkuler-detay?circularId=4873475>
- ▶ <https://www.gib.gov.tr/koronavirus-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-kapsami-genisletilmistir>
- ▶ <https://www.gib.gov.tr/node/143223>
- ▶ <https://www.gib.gov.tr/node/143229>
- ▶ <https://www.resmigazete.gov.tr/eskiler/2020/04/20200417-2.htm>
- ▶ <https://www.resmigazete.gov.tr/eskiler/2020/04/20200430-1.pdf>

Find the most current version of this tracker on [ey.com](https://www.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>▶ 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.</li> </ul> |              | <ul style="list-style-type: none"> <li>▶ Taxpayers whose monthly returns (VAT, Excise Duty) were 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.</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> <li>▶ 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.</li> </ul> |                     |

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

[Return to jurisdiction list](#)

## 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. The quarantine:

- ▶ Restricted crossing of the 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 till 1 July 2020, and the deadline for tax payment on such tax returns - till 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.

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

[Return to jurisdiction list](#)

## 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 till 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.** three-month postponement for the new rules.

## Links and resources

### Government materials

- <https://zakon.rada.gov.ua/law/show/540-IX>
- <https://zakon.rada.gov.ua/law/show/530-20>
- <https://zakon.rada.gov.ua/law/show/533-20>
- <https://zakon.rada.gov.ua/law/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/law/show/533-IX>

## Overview

- ▶ The government announced cuts in business fees, customs duties and reduction on utility costs for the next three months.
- ▶ 50% reduction in municipal fees paid by hotels and market fees.
- ▶ 10% reduction in water and power bills.
- ▶ Allowing business licenses to be paid in installments without the usual 25% upfront payment.
- ▶ Custom Duties Relief Measures.
- ▶ Excise tax filing and payment extension.
- ▶ VAT return filing extension for the period ending 31 March 2020.

## Personal tax

## VAT, GST and trade

- ▶ Dubai Customs will refund 1% of customs duties imposed on imported goods sold locally in the UAE markets, which are subject to customs duty rate of 5% and have been processed under Import Declarations during the period from 15 March 2020 to 30 June 2020.
- ▶ Cancellation of the Dh50,000 bank guarantee or cash required to undertake customs clearance activity. Bank guarantee or cash paid by existing customs clearance companies will be refunded.
- ▶ Extension of the tax period for businesses registered for Excise Tax, which commenced on 1 March 2020 for one month on an exceptional basis, to end on 30 April 2020. The tax period shall cover the months of March 2020 and April 2020. Registered taxpayers are required to file separate excise tax returns for March and April 2020 and pay their related taxes no later than 17 May 2020.
- ▶ VAT monthly or quarterly returns due to be filed and paid by 28 April 2020 are deferred for one month until no later than 28 May 2020.

## Business tax

## Links and resources

## 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 British Chancellor Rishi Sunak unveiled a package to boost the economy and get the country through the COVID-19 outbreak. This has been followed by a number of further announcements and new measures, which 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 (CJRS): 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. The CJRS will continue until the end of October.
  - ▶ Business rates in England will be abolished for firms in the retail, leisure and hospitality sectors.
  - ▶ Future Fund scheme, a £500 million investment fund for high-growth companies facing financing difficulties.
  - ▶ Cash grants for smaller businesses, and for small and medium-sized businesses focusing on research and development.
  - ▶ 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:
  - ▶ Government-backed and guaranteed loans to businesses through the following 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. A Bounce Back Loan scheme will help small and medium-sized businesses borrow between £2,000 and £50,000 with 100% of the loan guaranteed by the government.
  - ▶ Deferral of VAT payments for the period of 20 March to 30 June until end of financial year; deferral of self-employed July 2020 personal income tax installment 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 Employment and Support Allowance (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.

## VAT, GST and trade

- ▶ VAT payments due from 20 March 2020 to 30 June 2020 will be deferred. There will be no requirement to pay any VAT to Her Majesty's Revenue and Customs (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" may 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 three weeks but employers can use this scheme anytime during this period.
- ▶ From August, employers will have to start paying a percentage (to be determined) toward the salaries of their furloughed staff. However, they will also be able to bring back furloughed workers part time and still receive furloughing payments.
- ▶ Employers can claim for furloughed employees that were employed and on their PAYE payroll on or before 19 March 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

### EY materials

- ▶ [https://assets.ey.com/content/dam/ey-sites/ey-com/en\\_uk/topics/covid-19/covid19-government-support-package.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/en_uk/topics/covid-19/covid19-government-support-package.pdf)

### 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

- ▶ 3 March: Federal Reserve (Fed) cuts interest rates by 0.5%
- ▶ 6 March: \$8.3b spending bill signed by President (H.R. 6074)
- ▶ 12 March: Fed initiates quantitative easing, committing to purchasing \$1.5t in short-term Treasury debt from banks
- ▶ 13 March: Emergency disaster declaration signed by President, freeing up \$40b in additional funding
- ▶ 15 March: Fed drops interest rates to zero and buys \$700b in government bonds
- ▶ 18 March: President Trump signs the Families First Coronavirus Response Act (H.R. 6201) into law
- ▶ 23 March: Fed announces unlimited bond purchases
- ▶ 27 March: 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 provided via the Paycheck Protection Program (PPP)
  - ▶ Aid to state and local governments
  - ▶ Expanded unemployment insurance benefits (UI)
  - ▶ Emergency funds for healthcare
- ▶ 9 April: 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."
- ▶ 24 April: President Trump signs the PPP and Health Care Enhancement Act (H.R. 266), an interim relief measure that provides an additional \$321b for the CARES Act's now-exhausted PPP, \$60b for disaster loans, and an additional \$100b for health care provider relief and testing.
- ▶ 15 May : The House passes the HEROES Act (H.R. 6800), a roughly \$3 trillion proposal that would provide additional funding for state and local governments, hospitals and health care providers, testing, and housing and food assistance. The bill would also impose limitations on CARES Act NOL provisions and would make enhancements to the Employee Retention Tax Credit, as well as changes to the PPP. A path forward on additional legislative action remains unclear.

### State and local level responses

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

## Personal tax

- ▶ 18 March: Individual taxpayers can defer tax payments that would otherwise be due 15 April for 90 days interest and penalty free (IRS Notice 2020-18). The payment due date is now 15 July, the postponed payment amount is the same for single individuals and those married filing jointly.
- ▶ 20 March: Treasury Secretary Mnuchin announces that the filing deadline would be extended to 15 July 2020.
- ▶ 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.
- ▶ 13 April: Taxpayers may file by fax Form 1045 (refunds for individuals, estates, and trusts) beginning on 17 April 2020 until further notice.

## VAT, GST and trade

- ▶ 19 April Treasury announces 90-day import payment deferral on certain imports to importers meeting criteria of suffering significant financial hardship from the pandemic's supply chain disruption.
  - ▶ The 90-day extension for the payment of duties, taxes, and fees applies to merchandise entered in March and April 2020.
  - ▶ The extension does not apply to duties related to 301 tariffs on Chinese imports or 232 tariffs on aluminum and steel.
  - ▶ Significant financial hardship is defined as the operations of the US importer being partially or fully suspended in March or April resulting from a government authority order and as a result, the gross receipts are less than 60% of the gross receipts for the same period from 2019.

## Business tax

- ▶ 18 March: Corporate taxpayers with calendar year ends can defer payments that would otherwise be due 15 April 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%.
      - ▶ 8 May update: IRS allows employers to treat health plan expenses for furloughed employees who are not working or providing services due to COVID-19 as qualified wages.
  - ▶ 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 31 December 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.
- ▶ 13 April: Taxpayers may file by fax Form 1139 (refunds for corporations) to claim refunds under the NOL and AMT credit acceleration provisions of the CARES Act. Previously these returns had to be filed on paper. The IRS indicated that it will not extend filing by fax to Form 4466 for "quick" refunds of corporate overpayment of estimated tax.
  - ▶ 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](#) (18 May)
- ▶ [Plan to attend next week's Tax COVID-19 webcasts](#) (21 May)
- ▶ [What to expect in Washington | Coronavirus response](#) (21 May)
- ▶ [House passes fifth pandemic response bill, 3 trillion HEROES Act, 208-199](#) (18 May)
- ▶ [Tax Alert | IRS permits employers to amend IRC section 125 cafeteria plans to allow employees to make benefits and coverage changes in response to impact of COVID-19](#) (14 May)
- ▶ [Tax Alert | IRS changes employee retention credit FAQs to allow health plan expenses for furloughed employees to be treated as qualified wages](#) (11 May)
- ▶ [Plan to attend this week's Tax COVID-19 webcasts](#) (11 May)
- ▶ [Tax Alert | IRS FAQs reveal Treasury and IRS thinking on employee retention credit](#) (6 May)
- ▶ [Tax Alert | IRS releases Form 941 draft instructions including reporting for the Social Security tax deferral and COVID-19 employer tax credits](#) (4 May)
- ▶ [Tax Alerts | IRS temporarily allows taxpayers to request PLRs and other advice electronically](#) (1 May)
- ▶ [Tax Alert | IRS updates guidance on faxing Forms 1139 and 1045 to claim NOL carrybacks and AMT credits](#) (1 May)
- ▶ [Tax Alert | Federal Reserve expands reach of 'Main Street' emergency lending programs for mid-sized businesses](#) (30 April)
- ▶ [Tax Alert | IRS issues FAQs on interaction of NOL carrybacks and IRC Section 965 inclusions](#) (28 April)
- ▶ [Tax Alert | House passes \\$484 billion interim coronavirus relief package](#) (23 April)
- ▶ [Tax Alert | US announces limited policy for 90-day deferral of payment on certain imports due to COVID-19 hardships](#) (21 April)
- ▶ [Breaking Tax News | IRS and Treasury suspend revenue rulings applying the 10-year limitation period to refund claims](#) (17 April)
- ▶ [Tax Alert | Consolidated return considerations of NOL carrybacks under CARES Act](#) (15 April)
- ▶ [Tax Alert | IRS grants widespread tax deadline relief, extending time for most payments, filings and actions until July 15](#) (April 13)
- ▶ [Tax Alert | IRS issues guidance on carrying back NOLs for five years under CARES Act](#) (13 April)
- ▶ [Breaking Tax News | IRS allows withdrawals and changes to IRC Section 163\(j\) elections](#) (10 April)
- ▶ [Tax Alert | IRS issues guidance for deferral of employer's share of Social Security tax under the CARES Act](#) (10 April)
- ▶ [Tax Alert | IRS recommends waiting for further guidance on CARES Act refunds, closes last service center](#) (9 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 | Federal Reserve Announces Wave of New Initiatives to Boost Economy, Help Markets](#) (23 March)
- ▶ [Tax Alert | Families First Coronavirus Response Act gives tax relief to employers and employees impacted by COVID-19](#) (18 March)

## Links and resources

### 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 \(H.R. 748\)](#)
- ▶ [Paycheck Protection Program and Health Care Enhancement Act \(H.R. 266\)](#)
- ▶ [Health and Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act \(H.R. 6800\)](#)
- ▶ [HEROES Act Summary](#)
- ▶ [IRS Notices: 2020-17, 2020-18, 2020-20, 2020-23, 2020-26, 2020-29, 2020-32](#)
- ▶ [IRS Revenue Procedures: 2020-20, 2020-22, 2020-23, 2020-24, 2020-25, 2020-26, 2020-27, 2020-29, 2020-30](#)
- ▶ [IRS Revenue Rulings: 2020-08](#)
- ▶ [IRS | FAQs on deferral of employment tax deposits and payments](#)
- ▶ [IRS | Temporary procedures to fax certain Forms 1139 and 1045 due to COVID-19](#)
- ▶ [IRS | Draft Form 7200 Advanced Payment of Employer Credits instructions](#)
- ▶ [IRS | COVID-19-related tax credits for required paid leave provided by small and midsize businesses FAQs](#)
- ▶ [IRS | FAQs about carrybacks of NOLs for taxpayers who have had Section 965 inclusions](#)
- ▶ [IRS | Common errors to avoid when filing for advance payment of employer credits](#)
- ▶ [IRS | FAQs: employee retention credit under the CARES Act](#)
- ▶ [IRS | Draft Form 941 Employer's QUARTERLY Federal Tax Return](#)
- ▶ [Department of Treasury | CARES Act resources](#)
- ▶ [Department of Treasury | Paycheck Protection Program FAQs](#)
- ▶ [CBO | Preliminary estimate of budgetary effects of the CARES Act \(H.R. 748\)](#)
- ▶ [SBA | Paycheck Protection Program Loan Forgiveness Application](#)
- ▶ [SBA | Business loan program temporary changes: Paycheck Protection Program - treatment of entities with foreign affiliates](#)
- ▶ [Congressional Research Service | HEROES Act: Division B - Revenue Provisions](#)
- ▶ [Executive Order | Regulatory relief to support economic recovery](#)

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

[Return to jurisdiction list](#)

## Overview

- ▶ According to the National State of Sanitary Emergency declared by the Uruguayan Government on 13 March 2020, 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 27 March 2020.

## 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 27 March 2020.

## 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 2020 until 27 March 2020.

## 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.
- ▶ From 1 April to 1 October 2020, the transfer of funds and/or goods (services) on a gratuitous basis to individuals (per established list) who need social support is not considered as income of such individuals.
- ▶ From 1 April to 1 October 2020 individuals are granted the right for interest-free tax payment deferral on income received from renting residential premises to individuals and non-residential premises to entities, which had to suspend their activities during the COVID-19 pandemic, with its payment by equal installments until 1 April 2021.
- ▶ In 2020, the amount of financial aid paid to an employee, which is not subject to individual income tax, increases from 4.22-fold to 7.5-fold of the minimum wage (i.e. from UZS 2,866,773 (Approx. US\$ 283) to UZS 5,094,975 (Approx. US\$503)).

## 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 COVID-19 in Uzbekistan is provided with the right to:
  - ▶ Make the decision to provide an Import VAT exemption for the period of up to three 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 three 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.
- ▶ From 1 April to 1 October 2020 transfer of funds and/or goods (services) on a gratuitous basis to Charity Public Fund “Mahalla”, “Dobrota i podderjka” Fund, Public Fund “Uzbekistan mekhr-shavkat va salomatlik”, as well as to individuals (per established list) who need social support, is exempt from VAT.

## Business tax

- ▶ A moratorium on tax audits is in effect 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.
- ▶ Interest-free tax payment deferral (for revenue tax, property tax, land tax, water use tax and social tax) is extended until 31 December 2020 (previously until 1 October 2020) (with mandatory submission of notification to the tax authorities) granted for small businesses and individual entrepreneurs, who have suspended their activities and/or whose revenue is reduced by more than 50%. Local authorities have the right to determine the period of further tax payments, but not longer than two years.
- ▶ From 1 April 2020 to 1 October 2020:
  - ▶ Accrued and deferred interest income of financial leasing companies is excluded from taxable income for CIT purposes.
  - ▶ Transfer of funds and/or goods (services) on a gratuitous basis to Charity Public Fund "Mahalla", "Dobrota i podderjka" Fund, Public Fund "Uzbekistan mekhr-shavkat va salomatlik", as well as to individuals (per established list) who need social support, is considered as deductible expense for CIT purposes and should not be included as part of the Revenue tax base.

## Business tax

- ▶ For the period 1 June to 1 September 2020, the following entities are exempt from property tax and land tax: small businesses, markets and shopping malls, cinemas, public catering enterprises, public transport enterprises, sports and fitness centers and legal entities engaged in the transportation of passengers, providing household services, providing properties for rent, including properties rented for banquets, events.
- ▶ The following liabilities of small businesses to be written-off:
  - ▶ Proper interest-free tax payment deferral was provided in accordance with previously published Presidential Decrees;
  - ▶ late-payment ty tax and land tax charged for April and May 2020, for which interest and fines for land tax and property tax recorded as of 15 May 2020, which had been formed starting from 1 January 2020.
- ▶ During the period from 1 May to 1 July 2020, the social tax rate for small businesses is reduced from 12% to 1%. This benefit does not apply to manufacturers of products which are subject to excise tax, state enterprises, legal entities with state ownership of 50% or more in the charter capital.
- ▶ Forced collection of debts on taxes, late-payment interest and assessed fines from small businesses is suspended starting from 15 May 2020 until 1 September 2020.

## 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 COVID-19 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://www.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>
- ▶ Presidential Decree # 5986 dated 27 April 2020 "On additional measures to support the population and business entities during the coronavirus pandemic". The Presidential Decree is available in Uzbek and Russian via the following link: <https://lex.uz/ru/pdfs/4800007>
- ▶ Presidential Decree # 5996 "On the next set of measures to support the population and business entities during the coronavirus pandemic". The Presidential Decree is available in Uzbek and Russian via the following link: <https://lex.uz/pdfs/4815482>

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

[Return to jurisdiction list](#)

## Overview

- ▶ Declaration of National State of Alert, which was extended through Decree N° 4,186 of 12 April 2020, until 12 May 2020.
- ▶ The Executive Branch suspend, among others, the following activities:
  - ▶ School and university activities.
  - ▶ Work activities, except for the water, electricity, food and medicine sectors.
- ▶ Decree N° 4,167 of 23 March 2020, whereby the labor immobility of the workers of the public and private sector is confirmed until 31 December 2020.
- ▶ Decree N° 4,168 of 23 March 2020, which implements a special regime for the payment of credits in force in the national public and private banks.
- ▶ Decree N° 4,169 of 23 March 2020, which the payment of rental fees for commercial properties and those used as primary housing is suspended until 1 September 2020.
- ▶ Resolution N° 002-2020 of 13 April 2020, issued by the Plenary Chamber of the Supreme Court of Justice, which extends for 30 days the period of suspension of Courts activities.

## 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 minimum wages (approx. US \$6), is exempted from the payment of Income Tax (IT) in force as of 31 December 2019.

## VAT, GST and trade

- ▶ Decree No. 41,166 of 17 March 2020, and Resolution No. 079 of 3 April 2020, by which the Executive exonerates the payment of VAT, Import Tax and certain customs tariffs code to the definitive imports of personal movable property (masks, face masks and other related supplies) made by the National Government, destined to prevent the spread of the Coronavirus pandemic (COVID-19).
- ▶ 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 15 March 2020, given the suspension of main banking activities by Venezuelan Banking Superintendence.
- ▶ Additionally, 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.
- ▶ Additionally, 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

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

[Return to jurisdiction list](#)

| Overview   | Personal tax   | VAT, GST and trade   | Business tax   | Other measures   | Links and resources  |
|--|--|--|--|--|--|
| <ul style="list-style-type: none"> <li>▶ Decree on the extension of tax payment and land rental fee.</li> <li>▶ Deferral of the deadline for payments of value added tax (VAT), personal income tax (PIT), corporate income tax (CIT) and land rental fee</li> <li>▶ Affected industries may include agriculture, forestry and fishery; manufacturing and processing of food; weaving; costumes; shoes; products from rubber; electronic products, computers, etc.; construction; transportation and storage, 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ The deadline for payments of personal income tax will be extended to 31 December 2020, applicable to individuals and business households that engage in the business activities that fall into the scope of application of the Decree.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ 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 which fall into the scope of application of this draft Decree.</li> </ul> | <ul style="list-style-type: none"> <li>▶ 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.</li> <li>▶ Extension of the deadline to pay annual land rental fee</li> <li>▶ 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.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Enterprises, organizations and individuals who lease land directly from the government and make payment of land rental on an annual basis shall be entitled to land rental deferral for the first payment of 2020 from 31 May 2020 until 31 October 2020).</li> </ul> | <p><b>Government materials</b></p> <ul style="list-style-type: none"> <li>▶ <a href="https://vietnamnews.vn/economy/684933/pm-approves-decree-on-postponement-of-tax-and-land-use-fee-payments.html">https://vietnamnews.vn/economy/684933/pm-approves-decree-on-postponement-of-tax-and-land-use-fee-payments.html</a></li> </ul> |

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

[Return to jurisdiction list](#)

## Overview

- ▶ The Government of Zambia has announced a number of measures to support the economy amid the global COVID-19 pandemic.

## Personal tax

- ▶ Waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19. The Zambia Revenue Authority (ZRA) will issue guidelines on the period of relief, waiver qualification criteria and other related requirements.

## VAT, GST and trade

- ▶ Removal of provisions which prohibited the claim of Value-Added Tax (VAT) 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 address 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 ZRA.
- ▶ Waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19. The ZRA will issue guidelines on the period of relief, waiver qualification criteria and other related requirements.
- ▶ Extension of the list of medical-related devices that are not subject to Customs Duty or VAT. The complete list comprises 38 individual items with the suspension of VAT and duty set to run for an additional period of six months. These medical devices include thermometers, ventilators, testing equipment and disinfectants. The full list of items will be published by the ZRA.

## Business tax

- ▶ Waiver of tax penalties and interest on outstanding tax liabilities resulting from the impact of COVID-19. The ZRA will issue guidelines on the period of relief, waiver qualification criteria and other related requirements.

## Links and resources

### Government materials

- ▶ <https://www.mof.gov.zm/download/speeches/MOF-Statement-April-2020.pdf>

EY | Assurance | Tax | Transactions | Advisory

**About EY**

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation is available via [ey.com/privacy](https://ey.com/privacy). For more information about our organization, please visit [ey.com](https://ey.com).

© 2020 EYGM Limited.  
All Rights Reserved.

EYG no. 003411-20GbI  
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as legal, accounting, tax or other professional advice. Please refer to your advisors for specific advice.

[ey.com](https://ey.com)

