



COVID-19:
EMEIA
Government
Support Package -
Sweden

19 March 2021



Building a better
working world

COVID-19: EMEIA EY Government Support Package



In a series of announcements, the Swedish Government has presented measures to support public services, people and businesses through the disruption caused by the COVID-19 outbreak. The measures focus on supporting employment, reducing costs and providing cash flow support to businesses and increasing welfare support. These measures have become increasingly substantial, as the economic challenges for many industries have become apparent and acute.

The measures can be grouped into seven main areas which are being delivered via three distinct channels (see below). Beside this, the Government has channeled resources to the public health care and imposed civil restrictions.

Areas being addressed:

1. Providing liquidity through Governmental guaranteed lending
2. Helping employers to protect jobs
3. Business support through reducing costs
4. Cash-flow support, including tax deferrals
5. Administration, staying of executive measures
6. Benefits entitlements
7. Cross-border issues - social security coverage for commuting employees

These aims are primarily being delivered through:

The banking system

- ▶ Significantly increased lending to companies via banks;
- ▶ Governmental guarantees of loans to companies particularly affected by the COVID-19 outbreak

The tax system

- ▶ Tax deferrals and reduced taxes

Cash grants from Government

- ▶ Sick pay and reduced working hours for employees
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Announced Swedish responses

Cash flow support

Tax deferrals

Deferral may be granted for payments of social security contributions, taxes withheld from employee salaries and VAT.

Repayment of already paid preliminary income tax

Changes have been made to the rules on tax allocation reserves for 2019, for sole proprietors and individuals who are partners in partnerships. This may result in reduced tax liability, and refund of already paid preliminary income tax, for 2019.

Financial support based on decrease in turnover

Financial support to businesses with a significant decrease in turnover is available.

Cash tax management and existing grants

In addition to the Government's measures to manage liquidity the following should also be considered:

- ▶ Accelerated depreciation and immediate deductions
- ▶ Research and development incentives
- ▶ Innovation and sustainability grants

Liquidity and financing

Governmental guaranteed lending

The central Government guarantees 70 percent of new loans that banks provide to companies experiencing financial difficulties due to the outbreak but that are otherwise financially robust. The guarantee is issued to banks, which provide guaranteed loans to companies. Interest payments on the loans may be deferred for the first twelve months.

The loan guarantee primarily targets small and medium-sized enterprises. However, there is no formal limit on company size to take part in the program.

The Swedish National Debt Office administers the guarantee and there is a limit of SEK 75 m per borrower. The banks pay a guarantee fee to the Swedish National Debt Office for guarantees that are issued. The fee is determined on the basis of the borrower's actual risk profile, which is set by the credit institution. The risk assessment is carried out in accordance with the credit institution's credit assessment process.

This measure has been prolonged until 30 June 2021.

Cost reduction

Temporarily reduced social security contributions

Social security contributions have been temporarily reduced during March-June 2020 for employers, and during the financial year 2020 for sole proprietors and partners in partnerships.

Temporary discount for rental costs - landlord support

The state covered up to 50 percent of rental reductions, limited to a maximum of 25 percent of the total original fixed rent payment, for the period between 1 April and 30 June 2020. This may be re-introduced for Jan-March 2021.

Administration

The Swedish Tax Agency did not charge a late filing fee for tax returns submitted within one month from the original due date. This applied to all types of tax returns (income tax, payroll, VAT and EC sales) between the due dates 12 March to 31 August 2020. It applied for all types of businesses and organizations, and for individuals who had their income tax return prepared by an accounting or book keeping firm.

Employment support

Temporary layoffs with state support

New rules on financial support provided to employers and employees have been put in place. The state covers a proportion of salary costs where employers and employees agree to reduce the number of working hours as an alternative to termination of employment.

Other employment issues

- ▶ Sick pay from the first day
- ▶ The state covers sick pay that exceeds what is considered to be normal
- ▶ Doctor's certificate after 21 days

Deferral of social security contributions, taxes withheld from employee salaries and VAT payments.

Who is eligible?

Anyone that reports and pays employer social security contributions, taxes withheld from employee salaries and/or VAT may be granted deferral.

The rules apply to businesses with acceptable financial records. Businesses that are economically “ill-managed or are dishonest in some way”, or that already have large tax debts, will not be granted deferral.

What does it cover?

Deferral of tax payments may be granted for up to a year, with the possibility to apply to prolong the deferral for one more year.

Social security contributions, taxes withheld from employee salaries, and VAT reported on a monthly or quarterly basis:

Total amount that can be deferred is limited to a maximum of six months' worth of payments.

The reporting periods that may be subject to deferral are January to December 2020.

VAT reported on an annual basis:

Deferral may be granted for one year worth of VAT that is to be reported between 27 Dec 2019 and 17 Dec 2021.

How is it accessed?

Deferral may be granted after an application is made to the Swedish Tax Agency.

The application can be made on form SKV 4839 or digitally through “My pages” at the Swedish Tax Agency website.

Practicalities

The deferral rules entered into effect on 30 March and 6 April 2020, but have retroactive effect from 1 January 2020. Hence, taxes already paid may be reclaimed. This may be requested when applying for deferral.

An interest rate of 1.25 percent is charged on an annual basis during the entire deferral, and also a fee of 0.2 percent per month starting from the month after the deferral was granted. This is not tax-deductible.

The deferral fee and interest will need to be paid when the deferral period ends.

Payroll and VAT returns need to be submitted on time even if deferral of payment is granted.

The Swedish Tax Agency has stated that personal responsibility of representatives will normally not be pursued for taxes subject to this type of deferral.

Upcoming changes

The Government has proposed that:

- ▶ The deferral fee will be decreased to 0.1 percent, retroactively from 5 February 2021.
- ▶ Total amount of social security contributions and taxes withheld from employee salaries will be increased to seven months' worth of payments.
- ▶ January 2021 will be added as a reporting period that may be subject to deferral, for social security contributions, taxes withheld from employee salaries and VAT reported on a monthly basis.

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Cash flow support: Financial support based on decrease in turnover - general (page 1 of 2)

Financial support is available for businesses with a significant decrease in turnover due to COVID-19.

Who is eligible?

Natural persons and legal entities with business activity in Sweden, that are registered for class F tax (with certain exemptions), are eligible for support if they have had a turnover of at least SEK 250,000 during the previous financial year, and a significant decrease in turnover compared to the same period in 2019. The decrease in turnover must be almost exclusively attributable to COVID-19.

The support for Jun-Jul 2020 has been re-opened and strengthened but is available only for businesses that were impacted by the prohibition on public gatherings with more than 50 people, the Swedish travel ban from countries outside of the EEA/Switzerland or the travel recommendations from the Ministry of Foreign Affairs.

Support will not be paid to anyone who is insolvent, banned from business activity, has overdue tax liabilities and/or when the company or an associated company is domiciled in a so called tax haven.

Support is also not accessible when a company or parent company decides on or carries out dividends or other value transfers during the period April 2020-October 2021 (depending on the support period). However, this does not apply to most group contributions.

What does it cover?

For the re-opened support period Jun-Jul 2020: The support covers 75 percent of the fixed costs in the support period, multiplied by the decrease in turnover (as a percentage) due to the Government's restrictions. For businesses that were forced to shut down completely due to the restrictions, the support covers 100 percent of the fixed costs in the support period.

For support periods between Aug 2020-Feb 2021: The support covers 70-90 percent (depending on support period and size of the business) of the so called uncovered fixed costs in the support period.

Definitions

- ▶ Fixed costs: Cost of rent, leasing, interest, depreciation and necessary service/ repairing of fixed assets, electricity, water, sewer, internet, phone, heating, insurance, franchise fees, license fees and royalties. Payroll expenses are excluded.
- ▶ Uncovered fixed costs: Fixed costs according to previous definition, subtracted by the so called profit contribution.
- ▶ Profit contribution: The turnover in the support period subtracted by:

- payroll expenses in the support period
 - expenses for commodities and subcontracted work in the support period, and
 - expenses for raw materials and consumables in the support period.
- ▶ Small enterprise: A business with less than 50 employees and a turnover or a balance sheet total not exceeding EUR 10 million per year.

How is it accessed?

Applications are submitted digitally at the Swedish Tax Agency website and must include information about the decrease in turnover, the reason for the decrease, the fixed costs etc. When applying for support exceeding SEK 100,000, a statement from an auditor must be provided. Applications for companies within the same group must be submitted at the same time and include a description of the group structure.

Support that has been granted will be credited in the company's tax account and automatically paid to the company if there is a surplus in the tax account.

Practicalities

The entire amount is taxable the year when the support was granted. However, support attributable to fixed costs for the previous fiscal year may be reported that year instead.

Cash flow support: Financial support based on decrease in turnover - general (page 2 of 2)

Financial support is available for businesses with a significant decrease in turnover due to COVID-19.

Information in cursive below is still at the proposal stage. The application process for previous support periods is now closed.

Support period	Decrease in turnover required	Support calculation	Maximum support per group of companies	Application process
Jun-Jul 2020	50% in total and 25% due to restrictions	Decrease in turnover due to restrictions (%) x 0,75 x fixed costs. For businesses that shut down due to restrictions, the support is 100% of fixed costs	Initially SEK 8 million, now increased to SEK 150 million for eligible businesses	Re-opened until 17 May
Aug-Oct 2020	40%	70% (larger enterprises) or 75% (small enterprises) of uncovered fixed costs	SEK 30 million for the entire period Aug 2020-Feb/Apr 2021	Open until 30 April
Nov-Dec 2020	30%	70% (larger enterprises) or 90% (small enterprises) of uncovered fixed costs	SEK 30 million for the entire period Aug 2020-Feb/Apr 2021	Open until 30 April
Jan-Feb 2021	30%	70% (larger enterprises) or 90% (small enterprises) of uncovered fixed costs	SEK 30 million for the entire period Aug 2020-Feb/Apr 2021	Open until 30 April
<i>Mar 2021</i>	<i>30%</i>	<i>70% (larger enterprises) or 90% (small enterprises) of uncovered fixed costs</i>	<i>SEK 30 million for the entire period Aug 2020-Feb/Apr 2021</i>	<i>No information as of yet</i>
<i>Apr 2021</i>	<i>30%</i>	<i>70% (larger enterprises) or 90% (small enterprises) of uncovered fixed costs</i>	<i>SEK 30 million for the entire period Aug 2020-Feb/Apr 2021</i>	<i>No information as of yet</i>

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Cash flow support: Financial support based on decrease in turnover - for sole proprietors (page 1 of 2)

Financial support is available for sole proprietors with a significant decrease in turnover due to COVID-19.

Who is eligible?

Sole proprietors with business activity in Sweden, that are registered for class F tax (business tax), are eligible for support if they have had a turnover of at least SEK 180,000-200,000 during the previous financial year, and a significant decrease in turnover compared to the same period in 2019. The decrease in turnover must be almost exclusively attributable to COVID-19.

Support will not be paid to anyone who has been declared bankrupt or is banned from business activity.

What does it cover?

Depending on the decrease in turnover and the support period, the support is up to 90 percent of the decrease in turnover. The maximum support is generally SEK 24,000 per month, but please see next page for more information.

The support is to be reduced with other compensation received, for example insurance compensation, damages and certain other support due to COVID-19 - such as general support based on decrease in turnover for the same period.

How is it accessed?

The application process for the period Aug 2020-Feb 2021 is open and applications need to be submitted digitally through the webpage of the National Board of Housing, Building and Planning before 30 April 2021. The application process for previous support periods is now closed.

Practicalities

The general support based on decrease in turnover (see previous pages) does not exclude sole proprietors theoretically, but the extent to which sole proprietors have utilized the support has been limited. A reason for this may be that sole proprietors often have low fixed costs, which is one of the key factors for the general support. That is why this new type of support has been put in place, for which fixed costs are irrelevant.

Upcoming changes

A proposal is under way for the support to be prolonged with two new support periods; March and April 2021 (see next page for more information). There is also a proposal to introduce a similar support for partnerships and limited partnerships with at least one physical partner.

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Cash flow support: Financial support based on decrease in turnover - for sole proprietors (page 2 of 2)

Financial support is available for sole proprietors with a significant decrease in turnover due to COVID-19.

Information in cursive below is still at the proposal stage.

Support period	Turnover previous year must exceed	Decrease in turnover required	Support as a percentage of decrease in turnover	Maximum support	Application process
Aug-Oct 2020	SEK 200,000	40%	75%	SEK 72,000	Open until 30 April
Nov-Dec 2020	SEK 180,000	30%	90%	SEK 48 000	Open until 30 April
Jan-Feb 2021	SEK 180,000	30%	90%	SEK 48,000	Open until 30 April
<i>Mar 2021</i>	<i>SEK 180,000</i>	<i>30%</i>	<i>90%</i>	<i>SEK 24,000</i>	<i>No information as of yet</i>
<i>Apr 2021</i>	<i>SEK 180,000</i>	<i>30%</i>	<i>90%</i>	<i>SEK 24,000</i>	<i>No information as of yet</i>

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Cash flow support: Cash tax management and existing grants

There are other existing tax related measures (not specific to COVID-19) which are available to companies to manage cash liquidity.

It is our understanding that existing grants continue as usual.

Accelerated depreciation and immediate deductions

Consider taking advantage of beneficial tax depreciation/deduction rules wherever possible. Undertaking a thorough cost segregation analysis of the depreciation treatment of fixed assets and properties can significantly reduce corporate income tax liability and free up cash.

Practical considerations

All fixed asset expenditure is within scope - new-build, repairs and renovation works may all be eligible. Historic claims are often possible, including for projects completed in periods which are now closed, and can trigger substantial cash backs.

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Research and development incentives

Research and development tax incentives can provide cash benefits but are often overlooked. Where appropriate, businesses should be optimizing and accelerating the submission of R&D claims in order to receive cash back as soon as possible.

Practical considerations

Research and development tax incentive claims (Forskningsavdrag) can be reviewed and repayments authorized separately from a company's overall tax affairs. In many instances historic claims are possible and can trigger substantial cash backs.

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Innovation and sustainability grants

To help co-fund sustainability and innovation projects, businesses should consider grants. This is mainly relevant for the medium term financial planning, where grants can significantly boost an organization's innovation or sustainability budget.

Practical considerations

Grants for R&D, sustainability and innovation projects can cover up to 70 percent of eligible costs. Some schemes can be applied on a standalone basis, whereas others require a consortium (i.e. a group of non-related parties).

In addition to its usual funding activities, Vinnova has opened a call specifically providing support for projects that mobilize innovation and/or to readjustments of production processes or operations arising due to COVID-19.

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Cost reduction: Temporarily reduced social security contributions

Social security contributions have been temporarily reduced during March-June 2020 for employers, and during the financial year 2020 for sole proprietors and partners in partnerships.

Who is eligible?

Anyone that reports and pays social security contributions (employers, sole proprietors and partners in partnerships) are eligible.

There are no limitations in terms of company size, total number of employees etc.

What does it cover?

Social security contributions for employers have been reduced such that only the pension contribution of 10.21 percent remains payable for the period between 1 March and 30 June 2020, for a maximum number of 30 employees and salaries up to SEK 25,000 per employee.

The maximum tax relief is SEK 5,300 per employee and month, or SEK 159,000 per month for 30 employees.

Social security contributions of sole proprietors and partners in partnerships are also reduced. In 2020, they are only required to pay pension contribution of 10.21 percent on amounts of up to SEK 100,000.

How is it accessed?

Employers may request reduction of social security contributions by checking the box 062 "Reducerad avgift först anställd" in the individual's part of the payroll return. Where a payroll return has been submitted without the box 062 checked, a new payroll return needs to be submitted.

For sole proprietors and partners in partnerships, the reduction will be made automatically when the income tax return for 2020 is assessed by the Swedish Tax Agency. However, the tax payer needs to calculate the standard deduction (normally 25 percent of the base for social security contributions) through two separate computations. A deduction of 10 percent will be allowed for the first SEK 100,000, and 25 percent will be allowed for the exceeding amount.

Practicalities

The reduction of social security contributions entered into effect on 6 April 2020 but has retroactive effect from 1 March 2020 for employers and from 1 January 2020 for sole proprietors and partners in partnerships.

If maximum relief is obtained for 30 employees, the cost reduction is equal to SEK 636,000 for the entire

four-month period.

Tax relief for sole proprietors and partners in partnerships will be up to SEK 18,760 for 2020.

For sole proprietors and partners in partnerships, the social security contributions are included in the monthly preliminary tax. This means that the temporary reduction of the social security contributions may also lead to lower preliminary tax, provided that a new preliminary income tax return is submitted. This is possible up until 30 June 2021.

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Employment support: New rules on short-time work with state support (page 1 of 2)

New rules on financial support provided to employers and employees have been put in place. The state covers a proportion of salary costs where employers and employees agree to reduce the number of working hours as an alternative to termination of employment.

Who is eligible?

Criteria for the employer

The rules apply to employers who are legal or natural persons who conduct business activities. Public sector employers and employers who are mainly financed with public funds are excluded.

Support may be granted if:

- ▶ The employer is having temporary and serious financial difficulties
- ▶ The financial difficulties have been caused by events that are beyond the employer's control, and
- ▶ The employer has used other available measures to reduce labor costs

For support paid out in accordance with the new regulations (applicable from 1 Dec 2020), it is explicitly prohibited for the company receiving support, and its parent company, to decide or carry out value transfers such as dividends during the support period, two months before or six months after. However, group contributions do not impact the right to support.

For support paid out in accordance with the old regulations (applicable until 31 Dec 2020), dividends or other value transfers may disqualify the employer from support if carried out during the

support period, two months before, or six months after. The same goes for group contributions, however, a group contribution may be neutralized by a contribution in the other direction if it equals the group contribution minus the corporate tax attributable to the group contribution.

Support will not be approved if the employer (i) is insolvent; (ii) is required to prepare a balance sheet for liquidation purposes in accordance with the Companies Act; (iii) is subject to corporate restructuring; (iv) is prohibited from carrying out business or (v) has overdue tax liabilities.

In order for employers who are bound by a collective bargaining agreement (CBA) to be eligible for support, there must also be an applicable central CBA on short-term work. There should also be a local CBA in which the detailed conditions for the application of short-term work have been established.

Employers who are not bound by any CBA can apply for support provided that there is a written agreement between the employer and each of the employees affected by the short-term work. At least 70 percent of the employees at the operating unit are required to participate in the short-term work during the period covered by the support.

Criteria for the employee

The rules apply to both permanent employees and employees with fixed-term employment contracts.

Those who are eligible for support must have been employed by the employer during all or part of what is called the "comparative month" with the same or higher employment rate than during what is called the "support month". In this context, the comparative month is defined as the calendar month that falls three months before the calendar month in which the decision of the Swedish Agency for Economic and Regional Growth is made. The support month is the calendar month for which the employer requests preliminary support.

What does it cover?

The rules allow for the employers' salary costs and employee working hours to be reduced significantly, while the employee salary is reduced marginally. The rest of the cost is covered by the state. Support is granted up to a salary cap of SEK 44,000.

There are four levels for reduction of working time depending on support month (see next page). It is not possible to deviate from these levels.

The qualifying period previously applied is no longer in effect, meaning that employers that have already received

Employment support: New rules on short-time work with state support (page 2 of 2)

New rules on financial support provided to employers and employees have been put in place. The state covers a proportion of salary costs where employers and employees agree to reduce the number of working hours as an alternative to termination of employment.

maximum support in accordance with the previous regulations can now receive support until 30 June 2021.

How is it accessed?

An application for support is submitted to the Swedish Agency for Economic and Regional Growth.

Once the application is approved, the support is paid cash to the employer from the Agency.

Practicalities

The application process for Dec 2020-June 2021 opens on 29 March. The application must have been submitted to the Agency within four calendar months from the end of the support month. Otherwise, support may not be provided for the support month.

Together with the application, employers must submit documentation showing that all criteria have been met. In case the employer's salary costs during the comparative month exceed SEK 400,000, the employer must also submit an auditor's statement certifying the same.

The criteria for receiving support need to be carefully analyzed, since the decision on preliminary support may come a long time after a reduction in working hours has been made.

Month	Support levels possible	Subvention rate
Dec 2020	20, 40, 60 percent	75%
Jan 2021	20, 40, 60, 80 percent	75%
Feb 2021	20, 40, 60, 80 percent	75%
Mar 2021	20, 40, 60, 80 percent	75%
Apr 2021	20, 40, 60, percent*	50%*
May 2021	20, 40, 60 percent*	50%*
June 2021	20, 40, 60 percent*	50%*

*There is a proposal to keep the support level of 80% and subvention rate of 75% also for April-June.

Impact at a subvention rate of 75%

Reduction in working time	20%	40%	60%	80%
Salary reduction for employee	4%	6%	7,5%	12%
Cost reduction for employer	19%	36%	52,5%	72%

Impact at a subvention rate of 50%

Reduction in working time	20%	40%	60%
Salary reduction for employee	8%	12%	15%
Cost reduction for employer	18%	32%	45%

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A number of measures for employers and employees have been put in place in order to ease the consequences of sickness absence during COVID-19.

Sick pay from the first day

Employees do not normally receive sick pay during their first day of absence. However, at the moment, employees can claim a sickness benefit of SEK 810 from the Swedish Social Insurance Agency for this first day of sickness. Sickness benefit can be claimed again after 5 days from the first day of sickness, if a new sickness period starts. This is in effect until 30 April 2021 but may be prolonged.

Doctor's certificate

Currently, employees do not need to present a doctor's certificate during the first 14 days (normally 7 days) of sickness in order to receive sickness pay from the employer. This is in effect until 30 April 2021 but may be prolonged.

From the 15th day of sickness absence, employees can claim sickness benefits from the Government. The Swedish Social Insurance Agency currently do not request a doctor's certificate for the first 21 days (normally 14 days) of sickness absence in order for the employee to receive sickness benefits. This is in effect until 31 March 2021 if not prolonged.

The state covers the sick pay

During the period April to July 2020, the Government covered the full cost for employees' sick pay for days 2-14. From August and onwards, the Government covers sick pay that exceeds what is considered to be normal. Employers can claim compensation from the Swedish Social Insurance Agency.

Self-employed individuals will also be compensated by receiving a standardized calculated sick pay for the first 14 days of sickness.

These measures are in effect until 30 April 2021 but may be prolonged.

Practical payroll considerations

Employers should continue to handle their payroll according to their normal procedure. Employees will therefore not receive any pay from their employer for their first day of sickness but will instead claim the benefit from the Swedish Social Insurance Agency.

Compensation for day 2-14 will be paid to the employees according to the normal payroll procedure.

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Other cash flow support: Repayment of paid preliminary income tax

Changes have been made to the rules on tax allocation reserves for 2019. This may result in reduced tax liability, and refund of already paid preliminary income tax, for 2019.

Who is eligible?

The new rules on tax allocation reserves apply to sole proprietors and individuals who are partners in partnerships (not to limited companies).

What does it cover?

The rules on tax allocation reserves for sole proprietors and partners in partnerships have been changed temporarily such that the taxable profit for 2019, up to a maximum of SEK 1,000,000, may be allocated to tax reserves.

The taxpayer may alternatively choose to allocate a maximum amount corresponding to 30 percent of an adjusted positive result (i.e. not the same as taxable income) to tax reserves.

The taxable profit allocated to tax reserves can be offset against possible future loss but, regardless, needs to be reversed after no later than six years, in accordance with the already existing rules on tax allocation reserves.

The allocation should not result in a loss.

How is it accessed?

A greater deduction than what is normally granted can be made in box R34 of the NE form or box 19 of the N3A form of the income tax return for 2019.

Practicalities

The possibility to receive repayment of paid preliminary income tax by submitting a new preliminary income tax return is no longer available after 30 June 2020.

However, where the regular income tax return for 2019 has been submitted without the extra deduction, a new one may be filled out and submitted to the Swedish Tax Agency.

The option to allocate a maximum amount corresponding to 30 percent of an adjusted positive result for tax reserves, instead of SEK 1,000,000, would be favorable where the adjusted result exceeds SEK 3,330,000.

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Other cost reduction measures: Temporary discount for rental costs

The Government covered up to 50 percent of rental reductions up to 25 percent of total fixed rent.

(May be re-introduced for January-March 2021)

Who were eligible?

Landlords who reduced fixed rents for tenants in especially vulnerable sectors were able to apply for support to compensate part of the rental reduction.

Sectors considered vulnerable were durable consumer goods, hotels and restaurants and certain other industries, but various types of businesses were included in this. Please check [this list](#) of which SNI codes were eligible (Swedish Standard Industrial Classification).

To be granted support, the following conditions had to be met:

- ▶ The landlord had to have entered into a rental agreement with a tenant in an eligible sector on 1 March 2020 at the latest. The rent had to be completely or partly set to a fixed amount in SEK.
- ▶ The tenant had to have rented the premises during the period 1 April to 30 June 2020.
- ▶ The landlord and the tenant had to have entered into a discount agreement on 30 June 2020 at the latest, and the discount had to apply to the period 1 April through to 30 June 2020.
- ▶ The new rent in the agreement

had to be below the fixed amount that should have been due during the same period according to the rental agreement applicable on 1 March 2020. The rest of the provisions could not have been altered.

What did it cover?

The state covered up to 50 percent of reduction in fixed rent payment and limited to a maximum of 25 percent of total original fixed rent payment, for the period between 1 April and 30 June 2020.

Maximum amount per tenant were EUR 800,000.

How was it accessed?

The application process was open between 1 July and 31 August 2020, but is now closed.

Practicalities

The Government has proposed to re-introduce this measure for January-March 2021. If that happens, the landlord has to have entered into a rental agreement with a tenant in an eligible sector on 31 March at the latest.

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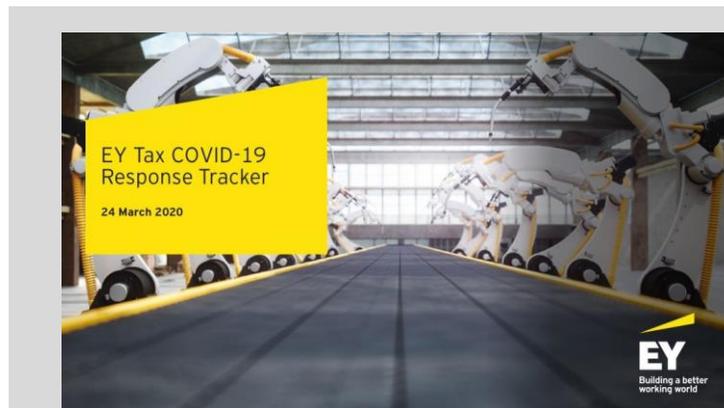
Our tracker provides a snapshot of the policy changes that have been announced in jurisdictions around the world in response to the COVID-19 crisis.

Policy changes across the globe are being proposed and implemented on a daily basis.

The document will be updated on an ongoing basis but not all entries will necessarily be up to date as the process moves forward.

Key jurisdictions covered by the Response Tracker include:

- ▶ Australia
- ▶ Austria
- ▶ Belgium
- ▶ Brazil
- ▶ Canada
- ▶ China Mainland
- ▶ Colombia
- ▶ Cyprus
- ▶ Czech Republic
- ▶ Denmark
- ▶ France
- ▶ Germany
- ▶ Greece
- ▶ Hong Kong
- ▶ Indonesia
- ▶ Italy
- ▶ Japan
- ▶ Luxembourg
- ▶ Malaysia
- ▶ New Zealand
- ▶ Norway
- ▶ Puerto Rico
- ▶ Singapore
- ▶ Slovak Republic
- ▶ Slovenia
- ▶ South Korea
- ▶ Spain
- ▶ Sweden
- ▶ Switzerland
- ▶ Taiwan
- ▶ Thailand
- ▶ Ukraine
- ▶ United Kingdom
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