



SPECIAL REPORT

CORONAVIRUS UPDATE

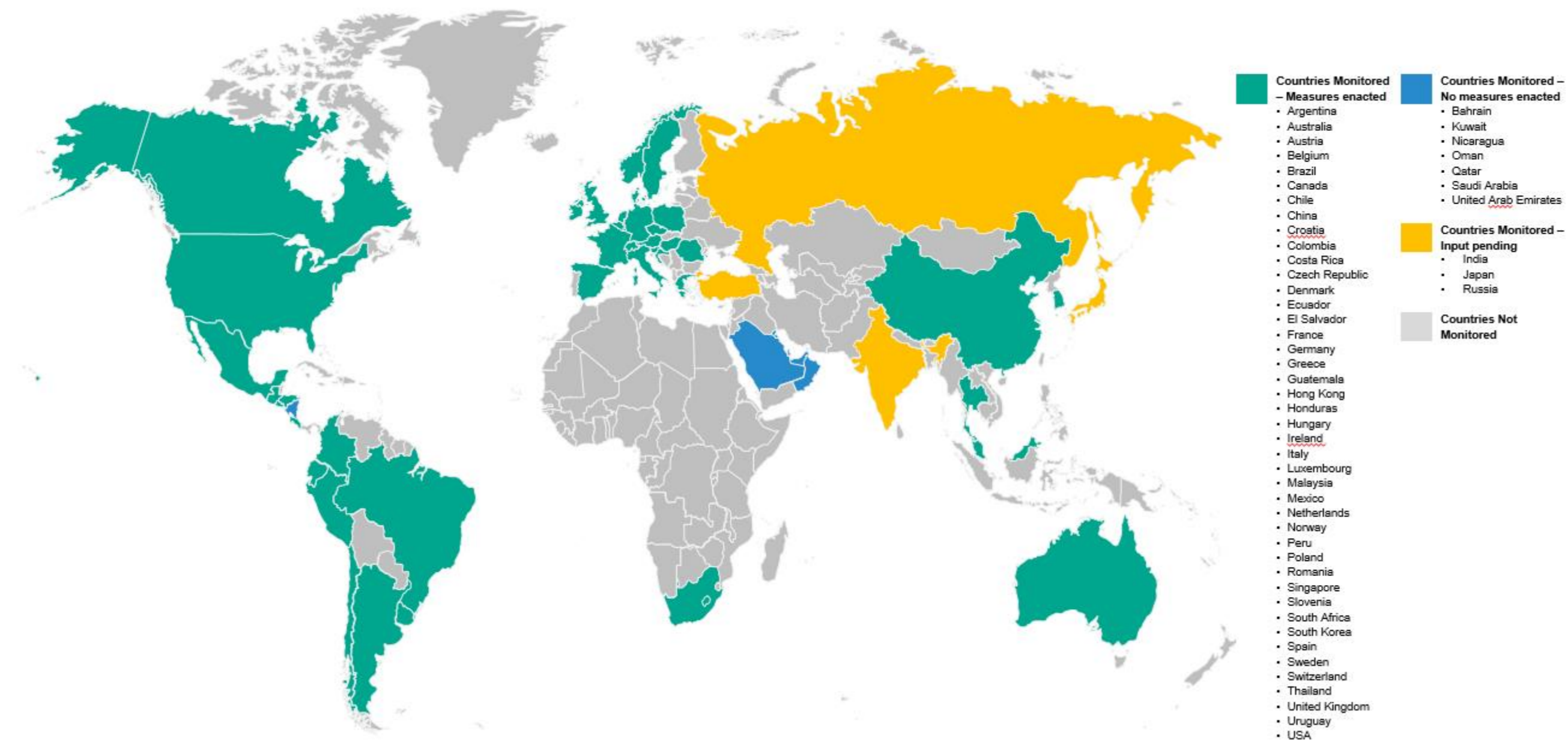
Monitoring of the Main Tax Measures / Subsidies

Country – by – Country Overview

May 28, 2020

McDermott
Will & Emery

COVID-19 GLOBAL MAP



1. SUMMARY TABLE

Country	Number of Covid-19 cases	Existence of tax subsidies/ measures	Type of tax subsidies / measures									Date of last update
			Deductibility of gifts / donations	Direct tax credits / incentives	Indirect tax incentives/ measures	Suspension / extension of tax filings' terms	Suspension / extension of tax payments' terms	Suspension / extension of tax controversies' terms	Others measures	Individual taxation incentives / measures	International tax law	
Argentina	12.628	Yes	✗	✗	✗	✓	✓	✓	✓	✓	✗	26 May 2020 ★
Australia	7.118	Yes	✗	✓	✓	✗	✓	✗	✓	✓	✓	11 May 2020 ★
Austria	16.459	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✗	28 April 2020 ★
Bahrain	9.171	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Belgium	57.342	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	11 May 2020 ★
Brazil	374.498	Yes	✗	✗	✓	✓	✓	✓	✓	✓	✗	26 May 2020 ★
Canada	85.103	Yes	✗	✓	✓	✓	✓	✓	✗	✓	✗	12 May 2020 ★
Chile	73.997	Yes	✓	✗	✓	✓	✓	✓	✓	✓	✗	11 May 2020 ★
China	84.543	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✗	14 April 2020 ★
Croatia	2.244	Yes	✓	✓	✓	✓	✓	✗	✓	✓	✗	12 May 2020 ★
Colombia	21.175	Yes	✗	✗	✓	✓	✓	✓	✓	✗	✗	11 May 2020 ★
Costa Rica	930	Yes	✗	✗	✗	✗	✓	✓	✓	✗	✗	11 May 2020 ★

Country	Number of Covid-19 cases	Existence of tax subsidies/ measures	Type of tax subsidies / measures									Date of last update
			Deductibility of gifts / donations	Direct tax credits / incentives	Indirect tax incentives/ measures	Suspension / extension of tax filings' terms	Suspension / extension of tax payments' terms	Suspension / extension of tax controversies' terms	Others measures	Individual taxation incentives / measures	International tax law	
Czech Republic	9.002	Yes	✗	✓	✓	✓	✓	✗	✓	✗	✗	14 April 2020 ★
Denmark	11.387	Yes	✗	✗	✗	✓	✓	✗	✓	✗	✗	5 May 2020 ★
Ecuador	37.355	Yes	✗	✓	✓	✓	✓	✓	✓	✗	✗	11 May 2020 ★
El Salvador	1.983	Yes	✓	✗	✓	✗	✓	✓	✓	✗	✗	11 May 2020 ★
France	146.000	Yes	✗	✓	✓	✓	✓	✓	✓	✗	✓	26 May 2020 ★
Germany	179.002	Yes	✓	✗	✓	✓	✓	✗	✓	✓	✓	28 April 2020 ★
Greece	2.882	Yes	✓	✓	✓	✓	✓	✗	✓	✗	✗	5 May 2020 ★
Guatemala	3.424	Yes	✓	✗	✗	✓	✓	✓	✗	✗	✗	11 May 2020 ★
Hong Kong	1.066	Yes	✗	✗	✗	✗	✗	✗	✓	✗	✗	16 March 2020
Honduras	3.950	Yes	✗	✓	✗	✓	✓	✓	✓	✗	✗	11 May 2020 ★
Hungary	3.771	Yes	✗	✓	✗	✓	✓	✓	✓	✓	✗	4 May 2020 ★
India [Monitored – more info to come]	145.380											
Ireland	24.698	Yes	✗	✓	✓	✓	✓	✓	✓	✓	✓	12 May 2020 ★
Italy	230.158	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✗	28 May 2020 ★

Country	Number of Covid-19 cases	Existence of tax subsidies/ measures	Type of tax subsidies / measures									Date of last update	
			Deductibility of gifts / donations	Direct tax credits / incentives	Indirect tax incentives/ measures	Suspension / extension of tax filings' terms	Suspension / extension of tax payments' terms	Suspension / extension of tax controversies' terms	Others measures	Individual taxation incentives / measures	International tax law		
Japan [Monitored – more info to come]	16.623	Yes											19 March 2020
Kuwait	21.967	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Luxembourg	3.993	Yes	✗	✗	✓	✓	✓	✓	✓	✓	✓	✓	12 May 2020 ★
Malaysia	7.417	Yes	✗	✓	✓	✗	✓	✗	✗	✗	✓	✗	16 March 2020
Mexico	68.620	Yes	✗	✗	✗	✓	✓	✓	✗	✗	✗	✗	11 May 2020 ★
Netherlands	42.778	Yes	✗	✓	✗	✗	✓	✗	✓	✗	✗	✓	11 May 2020 ★
Nicaragua	279	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	11 May 2020 ★
Norway	8.352	Yes	✗	✓	✓	✓	✓	✓	✗	✓	✓	✗	7 April 2020
Oman	7.770	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Peru	119.959	Yes	✓	✗	✗	✓	✓	✓	✓	✓	✓	✗	6 April 2020 ★
Poland	22.303	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	27 May 2020 ★
Qatar	45.465	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Romania	18.429	Yes	✗	✓	✓	✓	✓	✓	✗	✓	✓	✗	26 May 2020 ★
Russia ¹ [Monitored – more info to come]	362.342	No											25 March 2020

¹ Russian Government has not decided on the final list of measures supporting business during this emergency

Country	Number of Covid-19 cases	Existence of tax subsidies/ measures	Type of tax subsidies / measures									Date of last update	
			Deductibility of gifts / donations	Direct tax credits / incentives	Indirect tax incentives/ measures	Suspension / extension of tax filings' terms	Suspension / extension of tax payments' terms	Suspension / extension of tax controversies' terms	Others measures	Individual taxation incentives / measures	International tax law		
Saudi Arabia	74.795	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Singapore	31.960	Yes	✗	✗	✓	✗	✗	✗	✓	✓	✗	✗	16 March 2020
Slovenia	1.457	Yes	✓	✗	✓	✓	✓	✓	✓	✗	✗	✗	11 May 2020 ★
South Africa	23.615	No	✗	✗	✗	✗	✓	✗	✓	✗	✗	✗	30 March 2020
South Korea	11.225	Yes	✗	✗	✓	✓	✓	✗	✗	✓	✗	✗	16 March 2020
Spain	235.400	Yes	✗	✗	✓	✓	✓	✓	✓	✗	✗	✗	26 May 2020 ★
Sweden	33.843	Yes	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	23 March 2020
Switzerland	30.380	Yes	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	12 May 2020 ★
Thailand	3.045	Yes	✗	✗	✓	✓	✗	✗	✓	✗	✗	✗	16 March 2020
United Arab Emirates	30.307	No	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
United Kingdom	261.188	Yes	✗	✓	✓	✗	✓	✗	✗	✗	✗	✓	28 April 2020 ★
Uruguay	769	Yes	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗	11 May 2020 ★
USA	1.618.757	Yes	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	6 May 2020 ★

Legend:

- ✓ A tax incentive / measure has been enacted / proposed
- ✗ There is no specific tax incentive / measure

★ Recently updated section

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2.1. ARGENTINA²



Number of Covid-19 cases:	12.628
Existence of tax subsidies / measures:	Yes
Date of last update:	26/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms	<p>A) As general principle, employees in Argentina pay income tax levied on their remunerations exclusively through a withholding regime managed by the employer. In this regard, employees report personal allowances and deductions to the employer (Form 572) is able to assess the withholdings to be made, both on a monthly and on a yearly basis. In turn, employer has to draft monthly, annual and final (in case of termination of employment) income tax assessments to be filed with the Federal Tax Authority (AFIP). To the annual assessment is able to be drafted and filed by employer, it is necessary that employees submit Form 572 reporting its annual allowances and deductions up to March 31 of the year following to the fiscal year being declared. In turn, the employer has to draft and submit the annual assessment until the last working day of April. Any income tax that, due the final assessment, has to be withheld in addition to the tax that was withheld on a monthly basis the prior year, will be withheld during the following month to the one in which the final assessment was filed. With regards to tax year 2019, AFIP extended the term for the employees to submit Form 572 until 04/30/2020, for the employer to file the final assessment until 05/29/2020, and for the employer to make any withholding until 06/10/2020. The withholding made will be pay to AFIP at the end of June or first days of July.</p> <p>B) AFIP issued a resolution establishing a special term for filing the transfer pricing annual tax return and related documentation as provided by General Resolution 1122. The new term is from May 18, 2020 to May 22, 2020, depending on the taxpayer's tax identification number, and affects tax years closed from 31 December 2018 to 30 September 2019.</p> <p>C) The Tax Authority of the Province of Buenos Aires ("ARBA") extended the term to file the annual tax return of turnover tax, which was due in April 2020, to June, 2020.</p> <p>D) The Tax Authority of the City of Buenos Aires (AGIP) extended the term for those in charge of the National Automobile Property and Collateral Credit Registry ("<i>Registro Nacional de la Propiedad Automotor y Créditos Prendarios</i>") to file their returns and deposit the amounts collected in their capacity as collecting agents of stamp tax, during March 2020. The new deadline was set on May 11, 2020.</p> <p>E) AGIP extended the term to file the tax return of turnover tax to April 27 through May 4, 2020.</p> <p>F) AFIP extended the term for the filing of 2019 income tax returns and its corresponding payment, for enterprises, trusts and other entities which must issue commercial financial statements, until between May 26 and 27, 2020, according to each taxpayer's tax ID final number.</p> <p>G) AFIP extended the filing of April Value-Added Tax (VAT) returns and its corresponding payment, until between May 20 and 22, 2020, according to each taxpayer's tax ID final number.</p> <p>H) AFIP extended the term for the filing of income tax and personal assets tax returns and their corresponding payments, for individuals and undivided estates, regarding fiscal year 2019, until between July 24 and 29, 2020, according to each taxpayer's tax ID final number. The same resolution also extends the term for the filing of the</p>	AFIP General Resolution No. 4,682, 4,689, 4,714 and 4,721, ARBA Normative Resolution No. 16/2020 and AGIP Resolutions No. 164/2020 and 165/2020.

² With the contribution of Marval

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>schedular tax and its corresponding payment, regarding fiscal year 2019, until between July 27 and 29, 2020, according to each taxpayer's tax ID final number.</p> <p>In addition, the resolution extends the term for the filing of the income tax fourth category (personal work) informative returns withholding regime regarding fiscal year 2019, until July 31, 2020.</p>	
<p>Suspension / extension of tax payments' terms</p>	<ul style="list-style-type: none"> A) Please refer to d) with relation to the extension of terms for the payment of employment income tax withholdings to year 2019. B) AGIP extended the term for the payment of taxes regarding appraisal in the valuation of properties for the months of March and April until 05/31/2020. C) ARBA extended the term upon which entities and individuals must pay the turnover tax third advance payment of 2020 until July 15, 2020. D) AGIP extended the deadline for several instalment facility plans payments which are due between 03/20/2020 and 05/24/2020, including those which may only be paid personally until May 31, 2020. E) ARBA extended the deadline for the second annual instalment of the real estate tax until July 31, 2020. F) AGIP extended the deadline for the second annual instalment of the vehicle license tax until May 11, 2020. G) AGIP extended the deadline for the fourth annual instalment of the real estate tax until May 11, 2020. H) ARBA postponed the deadline for April monthly advance payments of instalment plans until June 10, 2020. Accordingly, May and June's payments are postponed to July and August, respectively. I) As seen in point D of the previous cell, AGIP extended the term for those in charge of the National Automobile Property and Collateral Credit Registry ("<i>Registro Nacional de la Propiedad Automotor y Créditos Prendarios</i>") to file their returns and deposit the amounts collected in their capacity as collecting agents of Stamp Tax, during March 2020. The new deadline was set on May 11, 2020. J) AGIP extended the term for the turnover tax third advance payment of 2020 until between April 27 and May 4, 2020. K) ARBA extended the deadline for the second annual instalment of the vehicle tax until June 15, 2020. L) Please refer to points F), G) and H) of the previous cell, in relation to income tax and VAT payments extensions. 	<p>AFIP General Resolution No. 4,682 and 4,714, AGIP Resolutions No. 142/2020, 143/2020, 161/2020, 164/2020, 165/2020, 168/2020 and 188/2020 and ARBA Normative Resolutions No. 16/2020, 17/2020, 24/2020, 26/2020 and 27/2020..</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Suspension / extension of tax controversies' terms</p>	<p>A) The Argentine Tax Court (“TFN”) established an extraordinary term suspension from March 17, 2020 until as long as the decreed mandatory quarantine lasts (for the time being, the National Executive Power established the mandatory quarantine until May 24, 2020).</p> <p>B) AFIP established an extraordinary administrative recess from 03/18/2020 to 05/24/2020. During such recess, procedural terms does not count, unless AFIP, through a founded resolution, decides to enable the count of such procedural terms to protect any tax interest. In general, tax authorities of other levels of government established similar recesses (including AGIP and ARBA). Judicial controversies terms have also been suspended in most jurisdictions until 05/24/2020, inclusive.</p> <p>C) AFIP extended the term during which it will not levy injunctions, seizures or foreclosures against Micro, Small and Medium Size companies. Original term was elapsing on 03/31/2020, while new term elapses on 04/30/2020. Though the respective resolution does not mention the emergency context due to Coronavirus, it was enacted one day after Federal Government resolved mandatory quarantine, thus we consider this measure as part of the tax legal framework related to the emergency context.</p> <p>D) AFIP established that individuals registered in the Simplified Regime for Tax Payers (“Monotributo”) will neither be excluded, nor removed from such regime due to lack of payment during the months of March and April.</p> <p>E) ARBA extended the term during which it will not levy injunctions, seizures or foreclosures. Original term was elapsing on 03/31/2020, while new term elapses on 05/31/2020.</p> <p>F) The Multilateral Agreement Commission (“COMARB”) set forth an extraordinary term suspension as of March 18, 2020 until the decreed mandatory quarantine lasts.</p> <p>G) AFIP suspended all injunctions against registered Micro, Small and Medium Companies until June 30, 2020.</p>	<p>TFN Resolutions No. 13/2020 and 23/2020, AFIP General Resolutions No. 4,682, 4,684, 4,687, 4,692, 4,695, 4,703, 4,704, 4,705 and 4,713, ARBA Normative Resolution No. 12/2020, AGIP Resolutions No. 166/2020, 177/2020 and 187/2020, COMARB General Resolutions No. 01/2020 and 04/2020 and resolutions issued by other level of government or by the Judiciary.</p>
<p>Others measures</p>	<p>A) AFIP issued a resolution extending the term for adhering to an installment plan up to 06/30/2020 (originally, the deadline was 03/31/2020). Through this plan, taxpayers are entitled to the payment of several taxes owed in up to 120 monthly installments (depending on the tax). The plan applicable to the generality of taxes allows to include taxes owed in 8 monthly installments (for taxpayers considered as Micro, Small and Medium Size companies) and in 6 (for other taxpayers).</p> <p>B) The National Executive Power extended the term in which individuals who have declared having assets abroad must repatriate at least 5% of its financial assets, in order not to be subject to the aggravated personal assets tax rate. The new term elapses on April 30, 2020. Additionally, AFIP issued the General Resolution No. 4691/2020, by which extends the term for individuals that chose not to repatriate its assets to pay the advance payments established by Decree No. 99/2019 until May 6, 2020.</p> <p>C) AFIP exempted taxpayers from the requirement to register their biometric data in order to carry out certain proceedings with AFIP, until June 30, 2020.</p> <p>D) AFIP extended for 90 days the term to inform any corporate reorganizations carried out (original term was 180 days since the date of the reorganization).</p> <p>E) AFIP extended the maximum available active instalment plans for large and medium -section 2- enterprises (according to the Micro, Small and Medium Enterprises Regime), to 6 plans. Previously, taxpayers could only have 3 concurrent instalment plans.</p> <p>F) Enterprises, trusts and other entities which must issue commercial financial statements may these taxpayers may adhere until June 20, 2020, to an instalment plan consisting in an advance payment for 25% of the debt, plus three monthly payments, with the applicable interest rate at the moment of the adherence, without taking into account the taxpayer's Risk Profile (SIPER, after its Spanish acronym).</p> <p>G) AFIP established an instalment facility plan for all debts deriving from certain expired instalment facility plans until April 30, 2020. Such new plan grants up to 6 monthly consecutive instalments, calculated according to the Annual Nominal Interest Rate determined by the Central Bank. AGIP determined that May 31, 2020 will be the third deadline for the instalments derived from the facility plan established by Decree No. 606/1996, which were originally due during March and April, 2020.</p> <p>H) AGIP introduced and extraordinary voluntary turnover tax advance payment, which consists in the first three advance payments of 2020. Such payment grants a tax credit equivalent to 30% of the paid amount, which may be used as</p>	<p>AFIP General Resolutions No. 4,683 and 4,690, 4,699, 4,700, 4,714 and 4,718, AGIP Resolution No. 188/2020 and Decree no. 330/2020.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>follows: Up to 1/6 of the advance payment plus the tax credit may be used against 2021 turnover tax advance payments and other debts deriving from withholding and perception regimes. Further on, in June, 2021, there will be no restrictions to the use of the advance payment and the tax credit. In addition, the Financial Entities which are not able to use all the advance payment and the tax credit against their turnover tax obligations may also use them against their obligations derived from the Bank Institutions Withholding Regime (SIRCRES, after its acronym in Spanish).</p>	
Individual taxation incentives / measures	<p>Please refer to d) with relation of the extension of terms for filing Form 572 and paying employment income tax withholdings corresponding to year 2019.</p>	-
International tax law		

2.2. AUSTRALIA³



Number of Covid-19 cases:	7.118
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<ul style="list-style-type: none"> Increasing the instant asset write-off (IAWO) threshold from \$30,000 to \$165,000 (GST inclusive). <ul style="list-style-type: none"> Eligible businesses are those with aggregated annual turnover of less than \$500 million. Applies from 12 March 2020 until 30 June 2020, for new or second-hand assets first used, or installed ready for use in this timeframe. If the balance of a small business entity's general small business pool is less than \$150,000 at the end of an income year that ends on or after 12 March 2020 but before 1 July 2020, the small business entity can claim a deduction for the entire balance of the pool. If the cost of assets exceed the above threshold, eligible taxpayers may access a 15-month limited (from now until 30 June 2021) investment depreciation deduction of 50% of the cost of an eligible asset on installation, with existing depreciation rules applying on the balance of the asset's cost. <ul style="list-style-type: none"> Eligible businesses are those with an aggregated turnover of less than \$500 million. Eligible assets are those that can be depreciated under Division 40 of the ITAA 1997. Does not apply to second-hand Division 40 assets, or buildings and other capital works depreciable under Division 43. Two sets of tax-free credits to eligible businesses – each payment up to \$50,000 and a minimum of \$10,000. <ul style="list-style-type: none"> Small and medium business entities with annual turnover under \$50 million will be eligible – based on prior year turnover. Payment will be made as a credit by the ATO in the activity statement system from 28 April 2020 and from 28 July 2020 upon lodging an eligible activity statement. Where this places the business in a refund position, the refund will be delivered within 14 days. 	<p>Coronavirus Economic Response Package Omnibus Bill 2020</p> <p>Coronavirus Economic Response Package Omnibus Bill 2020</p> <p>Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Bill 2020</p>
Indirect tax incentives / measures	<ul style="list-style-type: none"> The following States have announced payroll tax measures as business stimulus/concessions: <ol style="list-style-type: none"> New South Wales <ul style="list-style-type: none"> Payroll tax payers whose total grouped Australian wages for the 2019/20 financial year are no more than \$10 million will have their annual tax liability reduced by 25% when they lodge their annual reconciliation (due 28 July). For those taxpayers who lodge and pay monthly and whose total Australian wages will be no more than \$10 million for the current financial year, no payment for the months of March, April or May 2020 will be required. When lodging annual reconciliation, details of wages paid in these months is required to receive the benefit of a 25% reduction in the amount of tax that would have been payable for 2019-20. Bringing forward the raising of the payroll tax threshold to \$1 million from 1 July 2020, up from \$900,000 and one year earlier than planned. Queensland 	Relevant State announcements.

³ With the contribution of Greenwoods & Herbert Smith Freehills Pty Limited


Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> - Six month deferral of payroll tax liabilities – initially for small/medium sized businesses (backdated from 1 February 2020) now extended to all businesses. Effectively defers all payments until 3 August 2020. Need to apply for deferral – turnover/profit must be affected directly or indirectly by COVID-19. 3) Western Australia <ul style="list-style-type: none"> - Payroll tax paying businesses with a payroll between \$1 million and \$4 million will receive a one-off grant of \$17,500. - Raising the payroll tax threshold to \$1 million from 1 July 2020, six months earlier than planned. - Small and medium-sized businesses affected by COVID-19 can now apply to defer payment of their 2019–20 payroll tax until 21 July 2020. The deferral is available to employers who pay \$7.5 million or less in Australian taxable wages and have been directly or indirectly impacted by COVID-19. 4) Tasmania <ul style="list-style-type: none"> - Employers in hospitality, tourism and seafood industries, as well as approved applicants employers with taxable Australian wages of up to \$5 million annually are not required to lodge payroll tax returns for March, April and May. Awaiting legislation confirming that payments for those months will also not be required (i.e. announced but not yet legislated). - One year rebate for employers paying payroll tax who employ youth employees under 24 years – commences 1 April 2020. 5) Victoria <ul style="list-style-type: none"> - Full payroll tax refunds for the 2019-20 financial year for small and medium-sized businesses with payroll of less than \$3 million. - The same businesses will also be able to defer any payroll tax for the first three months of the 2020/21 financial year until 1 January 2021. 6) Australian Capital Territory <ul style="list-style-type: none"> - Hospitality (cafes, pubs, hotels, clubs and restaurants), creative arts and entertainment industries will receive a one-off, six-month waiver of payroll tax from April to September 2020. Online application form to confirm eligibility (available soon). For monthly lodgers, the first credit applied to the April 2020 liability is due 7 May 2020. For annual lodgers, the credit will apply when the annual return is lodged. - All ACT businesses with Group Australia-wide wages of up to \$10 million can defer their 2020-21 payroll tax, interest free until 1 July 2022. Online application form to confirm eligibility (available soon). Monthly lodgers – deferral commences July return – normally payable 7 August 2020 and Annual lodgers – can defer payment of 2020/2021 liability – usually payable July 2021. No interest on amounts paid before 1 July 2022. Interest will be applied to any outstanding deferred amounts from 1 July 2022. 7) For completeness, South Australia and Northern Territory have not announced any payroll tax changes to date. <ul style="list-style-type: none"> • The following States have announced land tax measures as business stimulus/concessions: <ol style="list-style-type: none"> 1) New South Wales <ul style="list-style-type: none"> - Rebate of up to 25% of 2020 land tax liability for commercial and residential landlords, subject to satisfying certain criteria. - If a taxpayer receives a rebate, they may apply for a 3 month deferral of their liability. - Other concessions, such as setting up an instalment payment plan (however, interest may apply), will be considered on a case-by-case basis. 2) Queensland <ul style="list-style-type: none"> - Rebate of up to 25% of 2020 land tax liability for landowners, subject to satisfying a criteria. - Waiver of the 2% land tax foreign surcharge for foreign entities for the 2019-20 assessment year. - A three month deferral of land tax liabilities for the 2020-21 assessment year. 3) Western Australia <ul style="list-style-type: none"> - Taxpayers may apply for an interest-free payment arrangement (instalment payments or deferral), if they are unable to pay their tax. 	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> - Late payment penalty tax waived in full if the taxpayer can demonstrate that their financial circumstances are impacted by COVID-19. 4) Tasmania <ul style="list-style-type: none"> - Land tax may be waived for commercial property for the 2020-21 financial year if the business owner can demonstrate that COVID-19 has impacted its business operations. - Payment deferral to 30 June 2020 for outstanding land tax for the 2019-20 financial year may be available without penalty if the land owner is experiencing financial hardship. 5) Victoria <ul style="list-style-type: none"> - Rebate of up to 25% of 2020 land tax liability for commercial and residential landlords, subject to satisfying certain criteria. - Payment may be deferred until the 31 March 2021 for a land owner which has at least one non-residential property and their total taxable landholdings is below \$1 million. 6) Australian Capital Territory <ul style="list-style-type: none"> - Deferring the issue of commercial general rates notices for the 2019-20 quarter 4 instalments by four weeks. - For residential property owners: <ul style="list-style-type: none"> o apply a \$150 rebate to all residential rates bills in 2020-21; o delay issuing the 2019-20 quarter 4 residential general instalments by four weeks; o enable landlords of residential properties to apply for a land tax and rates rebate (equal to half of the rent reduction but capped at \$1300 per quarter) if they reduce rents by at least 25%; o enable owner occupiers to apply for a rates deferral for 12 months without penalty if the owner's household income has decreased by at least 25% and is less than \$160,000 before tax. o not increase the Fire and Emergency Services Levy in 2020-21. 7) South Australia <ul style="list-style-type: none"> - Landowners, who pay land tax quarterly in 2019-20, are able to defer their third and fourth quarter instalments for up to six months. 8) Northern Territory <ul style="list-style-type: none"> - For completeness, land tax does not apply in the Northern Territory. 	
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<ul style="list-style-type: none"> • The ATO will implement a series of administrative measures to assist businesses and communities impacted by COVID-19 on a case-by-case basis in order to provide relief, including: <ul style="list-style-type: none"> - Effective from 1 April 2020, businesses on a quarterly reporting cycle may opt into monthly GST reporting for quicker access to GST refunds. - Allowing businesses to vary PAYG instalment amounts to zero for the March 2020 quarter and allowing refunds to be claimed for any instalments made for the September 2019 and December 2019 quarters where that business can demonstrate that COVID-19 has impacted its business operations. - Deferral of the payment of amounts due on a business activity statement (BAS) including net GST liabilities, PAYG instalments and fringe benefits taxes (FBT) for 4 - 6 months. - Franking deficit tax may be deferred until September 2020. - Remitting any interest and penalties incurred on or after January 2020, that have been applied to tax liabilities. - Allowing businesses to enter into low interest payment plans. 	Per ATO announcement.
Suspension / extension of tax controversies' terms		
Others measures	<ul style="list-style-type: none"> • Businesses significantly impacted by COVID-19 will be able to access a subsidy from the Australian Government to continue paying their employees. These businesses will be able to claim a fortnightly payment of \$1,500 per eligible employee (JobKeeper Payment). 	Coronavirus Economic Response Package (Payments and Benefits) Bill 2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> Employers can apply for a wage subsidy of 50% of an apprentice's or trainee's wage for up to 9 months from 1 January 2020 to 30 September 2020. <ul style="list-style-type: none"> Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter). Applies to small business employing fewer than 20 full-time employees. \$1 billion of industry assistance to those regions and industries disproportionately affected by the pandemic. <ul style="list-style-type: none"> Waiver of fees and charges to tourism business. Administrative relief for some tax obligations on a case-by-case basis. The Minister may give a guarantee to a financial institution in connection with loans made to small and medium enterprises if granting the guarantee is likely to assist in dealing with the economic impacts of the Coronavirus. 	<p>Coronavirus Economic Response Package Omnibus Bill 2020</p> <p>Assistance for Severely Affected Regions (Special Appropriation) (Coronavirus Economic Response Package) Bill 2020</p> <p>Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Bill 2020</p>
<p>Individual taxation incentives / measures</p>	<ul style="list-style-type: none"> One-off \$750 payment to social security, veteran and other income support recipients and eligible concession card holders. <ul style="list-style-type: none"> Payment will be tax-free and not count as income for social security, Farm Household allowance or Veteran payments. Expanding the eligibility to income support payments and establishing a new, time-limited Coronavirus supplement to be paid at a rate of \$550 per fortnight. The income support payment categories eligible to receive the Coronavirus supplement include those who are eligible for the following: Jobseeker Payment, Youth Allowance Jobseeker, Parenting Payment (Partnered and Single), Farm Household Allowance and Special Benefit recipients. The Government will allow individuals in financial stress as a result of the Coronavirus to access up to \$10,000 of their superannuation in 2019-20 and a further \$10,000 in 2020-21. 	<p>Coronavirus Economic Response Package Omnibus Bill 2020</p>
<p>International tax law</p>	<ul style="list-style-type: none"> Thin capitalisation matters <ul style="list-style-type: none"> If a taxpayer uses the safe harbour test to satisfy its thin capitalisation obligations, then for the purposes of calculating average values for thin capitalisation amounts, the selection of alternative valuation measurement periods may be adopted. This will allow a degree of smoothing of values in situations where wide variations have occurred throughout the income year. If the taxpayer otherwise needs to rely on the arm's length debt test (ALDT) for the relevant year, as a direct consequence of COVID-19, the ATO will not dedicate compliance resources to reviewing the application of ALDT subject to satisfying certain requirements, other than to verify that the use of the test was directly related to a COVID-19 reflex. Tax residency and relocating employees <ul style="list-style-type: none"> The ATO has published its revised approach to central management and control to take into account the impact of travel restrictions and lockdowns on board meetings conducted via telephone/video. This guidance notes that the foreign companies will not be treated as having a permanent establishment in Australia due to the presence of employees in Australia because they are temporarily relocated or restricted in their travel as a consequence of COVID-19. This announcement should be continually monitored as the effects of COVID-19 on travel are unknown and continually develop. Failure to lodge penalty <ul style="list-style-type: none"> Subject to satisfying the relevant criteria, the ATO may remit the failure to lodge penalty for a period of 30 days from the lodgement date of the approved form (including for lodgement of the general purpose financial statement 	<p>Per ATO announcement.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>on time). If the taxpayer requires further time to lodge the relevant approved form, the taxpayer should contact the ATO to discuss lodgement and payments.</p> <ul style="list-style-type: none"> • PAYG registration <ul style="list-style-type: none"> - Foreign employers with employees who are not residents of Australia but are working in Australia temporarily as a result of COVID-19 are not required to register for PAYG withholding on the basis that the employee leaves Australia by 30 June 2020. As the effects of COVID-19 on travel are unknown, this announcement should be continually monitored as travel restrictions develop. 	

2.3. AUSTRIA⁴

	Number of Covid-19 cases:	16.459
	Existence of tax subsidies / measures:	Yes
	Date of last update:	28/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	Donations are, under certain conditions, generally tax deductible in Austria	§ 4a EStG
Direct tax credits / incentives	With retroactive effect from 1 March 2020, the following grants are tax exempt: (1) Grants paid by the COVID-19-crisis management fund (e.g., payments in connection with short-time work). (2) Grants paid by the Hardship Fund under the Hardship Fund Act. (3) Grants paid by the Corona crisis fund. (4) Other comparable grants paid by the federal states, municipalities and statutory interest representations that are made for coping with the COVID-19 crisis.	§ 124b Z 348 EStG
Indirect tax incentives / measures	VAT for protective masks is temporarily reduced from 20% to 0% for supplies and intra-Community acquisitions. This applies to supplies and intra-Community acquisitions made after 13 April 2020 and before 1 August 2020. The relevant VAT rate must already be deposited and settled in the cash register system now, so that there will be no subsequent correction of invoices and reclaims of VAT amounts.	§ 28(50) UStG
	The gradual increase of the tobacco tax rates for tobacco products as defined in the Tobacco Tax Act was postponed from 1 April 2020 to 1 October 2020.	§ 4(1)(1)(3)(5) Tobacco Tax Act
	Temporary refund of the alcohol tax to businesses of use (<i>Verwendungsbetriebe</i>) if the alcohol is used to produce disinfectants.	§ 116l alcohol tax act
Suspension / extension of tax filings' terms	The Chamber of Tax Consultants and Auditors, in consultation with the financial authorities, announced that all tax returns for 2018 filed by a tax adviser generally have a new deadline of 31 August 2020. A further extension may be possible under certain circumstances.	Chamber of tax consultants and auditors
Suspension / extension of tax payments' terms	Tax prepayments and tax payments can be postponed in an unusually informal manner (in particular, by e-mail)	Guidelines of the Ministry
	Any taxpayer, who credibly demonstrates a liquidity shortage specifically due to a SARS CoV-2 virus infection, can apply for a reduction or non-assessment regarding advance payments of income or corporate income tax (including interest). Concerning tax collection , deferrals and payment in instalments as well as a non-assessment of deferral interest may be requested. Moreover, affected taxpayers may apply for a reduction or non-assessment of late payment surcharges.	
	In the case of deferred terms available applied for or maintained, credits can still be repaid in full. During the COVID 19 crisis, the credit balance does not have to be used to pay off due tax debts.	§ 323c (6) to (10) BAO
Suspension / extension of tax controversies' terms	Interruption of deadlines in certain appeal proceedings, which have not yet expired by 16 March 2020 or whose period begins between 16 March 2020 and 30 April 2020, until the end of 30 April 2020. They shall restart on 1 May 2020. This concerns the time limits for, e.g., complaints (<i>Beschreibbeschwerden</i>), submission requests (<i>Vorlageanträge</i>), and complaints about measures (<i>Maßnahmenbeschwerden</i>).	§ 323c BAO
	Regarding financial criminal proceedings the period for objection (§ 145(1) FinStrG), the period for filing an appeal (§ 150(2) and (4) FinStrG), the period for filing an application for reopening of the proceedings (§ 165(4) FinStrG), the period for filing	§ 265a FinStrG

⁴ With the contribution of Binder Grösswang

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>an application for restitutio in integrum (§ 167(2) FinStrG) and the period for filing objections for the minutes (§ 56b (3) FinStrG) will be suspended if the period has not yet expired on 16 March 2020 (thus retroactively) or has started to run between 16 March 2020 and 30 April 2020. The periods shall begin to run anew on 1 May 2020.</p> <p>The chairman of a financial criminal proceeding may initiate the deliberation and adoption of resolutions by the senate using suitable technical means of communication if a hearing is omitted by 30 September 2020.</p>	§ 265a(3a) FinStrG
<p>Others measures</p>	<p>The Social Security for the Self-Employed (<i>Sozialversicherung der Selbständigen, SVS</i>) provides the following supports to all SVS-insured people who expect financial losses due to the coronavirus or who are affected by illness or quarantine: deferral of contributions or agreement on instalments, reduction of the provisional contribution base as well as full or partial non-determination of interests for late payment. The reduction of the provisional contribution base may be requested by means of an online application form.</p> <p>Likewise, the Austrian Health Insurance (<i>Österreichische Gesundheitskasse, ÖGK</i>) provides support to affected employers, such as: no late notices for due contributions, automatic deferral if contributions are not paid, only partially paid or not paid in due time; payment in instalments, no collection measures, no insolvency applications.</p> <p>For salaries and social security contributions allowances for (i) short time work arrangements (work under this regime can be reduced to 10% of regular working time) and (ii) for employees released due to parental obligations (limited to 1/3).</p> <p>Exemption for certain public administration fees and for stamp duties for legal transactions in connection with the implementation of measures to manage the COVID-19-crisis.</p> <p>The entry into force of the organisational reform of the federal tax administration will be postponed until 1 January 2021.</p>	<p>Guidelines of the Ministry</p> <p>§ 37b AMStG; § 18b AVRAG</p> <p>§ 35 (8) GebG</p> <p>All laws concerned</p>
<p>Individual taxation incentives / measures</p>	<p>Allowances and bonus payments which are additionally paid to employees due to the COVID-19-crisis are tax exempt up to EUR 3,000 in the calendar year 2020. These must be additional payments made exclusively for this purpose and have not usually been granted before. They do not increase the tax-privileged one-sixth of the year (<i>Jahressechstel</i>) and are not credited against it.</p> <p>In case of COVID-19-related short-time work, teleworking (home office) or inability to work, both the commuter allowance and overtime surcharges will continue to be tax exempt.</p> <p>Doctors who have reached the age of 60 and have sold or given up their business and ceased their gainful employment, and who during the COVID-19-pandemic in 2020 will again work as a doctor are not prevented from exceeding the limits of the application of the half-tax rate and the building benefit.</p> <p>Flat-rate travel expense allowances granted to athletes, referees and sports support staff (e.g. coaches, masseurs) shall remain tax-exempt up to € 60 per day of assignment, but not exceeding € 540 per month of activity, provided they continue to be paid.</p>	<p>§ 124b Z 350 EStG</p> <p>§ 124b Z 349 EStG</p> <p>§ 124b Z 351 EStG</p> <p>§ 124b Z 352 EStG</p>
<p>International tax law</p>		

2.4. BELGIUM⁵



Number of Covid-19 cases:	57.342
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>The Belgian Government has taken measures to stimulate the donation of medical supplies.</p> <p>Taxable persons who deducted VAT on the manufacturing or purchase of items donated for free are in principle obliged to adjust the deducted VAT via a self-supply subject to VAT. This additional VAT cost could discourage companies from donating medical supplies. For this reason, the Belgian VAT authorities have now decided that a donation of medical supplies to hospitals will not lead to a VAT adjustment. This measure will apply until 30 June 2020.</p> <p>The aforementioned tolerance applies to the following goods:</p> <ul style="list-style-type: none"> • Medical devices as referred to in Royal Decree 18 March 1999 (e.g. instruments intended for diagnostic and therapeutic purposes, devices intended for clinical research, ...) • Protective equipment for healthcare workers and patients (mouth mask, protective clothing, disinfectants, ...) <p>If the donator is subject to corporate income taxes (resident and non-residents) or is subject to personal income tax (residents/non-residents) as a self-employed person, the donation will not qualify as an abnormal or benevolent advantage and the costs associated with the donated medical goods will be tax deductible. Other individuals subject to personal income tax (resident/non-resident) that want to provide a donation in kind (i.e. medical devices and products useful in the fight against the coronavirus) to Belgian university hospitals and social welfare hospitals can exceptionally and temporarily receive a tax deduction amounting to 45% of the value of the donated goods (subject to some further limitations) if the donation exceeds a value of EUR 40. The value of the donation should be determined based upon the invoice received when purchasing the goods and should be provided to the hospital that receives the donation. If no such invoice is available, the market value should be determined by the hospital. The hospitals will provide the taxpayer a tax certificate.</p>	
Direct tax credits / incentives	<p>Extension of the normal payment deadline for personal income tax and corporate income tax with two months, for taxes assessed as of 12 March 2020. Although this additional 2 month payment term will not yet appear on the assessment notices that were sent up to and including 27 March, the postponement also applies to these cases and the taxpayer may add the two month period itself.</p> <p>Deferral of payment of wage withholding tax with 2 months, until 13 May (monthly return February), 15 June 2020 (monthly return March or quarterly return Q1) and 15 July (monthly return April).</p>	

⁵ With the contribution of Loyens & Loeff.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>A circular letter was issued on 23 March by the Belgian Tax Authorities re bad debts. Such debt reserves that are recorded during the financial year and relate to a loss that is not certain but probable, can only be treated tax exempt (i.e. are only tax deductible) if certain conditions are met. This implies a.o. that the debtors to which the loss relates should clearly be individualized. The probability of the loss should moreover appear from special events that took place during the taxable period and are still present at the end of this period. General or fixed bad debt reserves do not comply with these conditions. The circular letter states that the coronavirus constitutes a special event that justifies the recording of a bad debt reserve if a debtor does not pay its invoice as a result of the measures taken by the Government. Each debtor should still be assessed separately but flexibility may be applied when assessing the difficulties for recovering outstanding debts from debtors whose turnover has significantly decreased as a result of the restrictive measures imposed by the federal government.</p> <p>If self-employed persons and companies are in a tax paying position and do not make timely prepayments of income taxes, a tax increase will be imposed. Each quarter a prepayment can be made and each prepayment leads to a tax credit which reduces the tax increase suffered if no prepayments would have been made. A prepayment made in the first quarter results in a higher tax credit than a prepayment made in a later quarter. Many self-employed persons and companies are currently facing liquidity problems due to the corona crisis and can therefore not make prepayments. In order to avoid that they are being penalized if they only prepay the taxes later this year, the tax credits for the last two quarters of 2020 are increased. For companies, the tax credit for prepayments of corporate income taxes increases in the third quarter from 6% to 6.75% and in the fourth quarter from 4.5% to 5.25%. This measure does not apply for companies that repurchase own shares, make a capital reduction or attribute/pay dividends between 12 March and 31 December. For the self-employed persons, the tax credit for prepayments of personal income tax increases from 2% to 2.25% in the third quarter and from 1.5% to 1.75% in the fourth quarter.</p> <p>Belgian companies and Belgian permanent establishments of foreign companies can benefit from a tax exemption if they invest in European audiovisual works or performing arts, provided a number of conditions are met. The amount of the final tax exemption is based upon the value of the tax shelter certificate to be provided to the investors. The value of this certificate is based upon the amount of qualifying expenses the producer spends in the EER and of the direct and indirect expenses incurred in Belgium. As of the signing of the agreement between the investor and the producer, the producer has 18 months or 24 months to incur expenses. The government decided to extend this period with an additional 6 month period if the producer can demonstrate that they suffer damages as a direct result of the corona measures imposed by the government.</p> <p>With effect from 1 January 2019, Belgium introduced a new interest limitation rule in line with the Anti-Tax Avoidance (ATAD). According to this rule, any 'exceeding borrowing costs' are only tax deductible up to the maximum of 30% of the taxpayer's EBITDA or EUR 3 million. A Grandfathering was introduced for existing loans: loans that are concluded prior to 17 June 2016 are excluded from this rule if no essential changes have been made on or after this date. Essential changes include a.o. a change in the parties, the interest rate, the duration or the amount borrowed. The exceptional situation caused by Covid-19 and the measures imposed in that respect by the federal government will inevitably have an adverse effect on the liquidity and solvency of some companies. In this context, specific payment methods (e.g. a deferral of interest or capital payment) may be authorised for certain loans. A circular letter now clarifies that the authorisation of specific payment arrangements for loans concluded before 17 June 2016 should not be considered as a fundamental change when:</p> <ul style="list-style-type: none"> - the taxpayer can demonstrate that the payment problems are the result of the crisis caused by COVID-19, and - the terms of payment appear in an approved application to a financial institution or are included in a supplementary agreement. <p>In other words, these loans will be able to continue to benefit from the grandfathering rule. These payment problems, which are the result of a general liquidity and solvency problem, may be reflected in particular in a fall in turnover or activity,</p>	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>temporary or total unemployment among staff or temporary closure as a result of the measures imposed by the federal government as part of the fight against COVID-19.</p>	
<p>Indirect tax incentives / measures</p>	<p>Deferral of payment of VAT due resulting from the VAT return related to February 2020 (new payment deadline 20 May 2020), March / quarter 1 2020 (new payment deadline 20 June 2020) and April 2020 (new payment date 20 July).</p> <p>Customs & Excises also amended the electronic customs portal PLDA and extended payment terms from one week to four weeks for (a) excise duties and packaging levy on alcohol and alcoholic and non-alcoholic beverages; and (b) import VAT. This extension of payment terms applies until 30 June 2020 and only to the abovementioned taxes in PLDA.</p> <p>In order to stimulate the supply of goods which are required to comply with the preventive measures in the fight against the COVID-19 pandemic, the Federal Government has decided to temporarily apply the reduced VAT rate of 6% (instead of the standard rate of 21%) on the supply, intra-Community acquisition and import of:</p> <ul style="list-style-type: none"> • face masks, classified under the CN codes 4818 90 10 00, 4818 90 90 00, 6307 90 98 10, 6307 90 98 91, 6307 90 98 99 and 9020 00 00 10, and • hydro alcoholic gels. <p>This measure will apply as from 4 May 2020 until 31 December 2020.</p>	
<p>Suspension / extension of tax filings' terms</p>	<p>The Federal Government has automatically extended the following deadlines:</p> <ul style="list-style-type: none"> • Deferral of filing deadline for the VAT return and Intra-Community sales listing February 2020 (new deadline 6 April 2020), March / quarter 1 2020 (new deadline 7 May 2020), April (new deadline 5 June 2020) and annual VAT client listing 2019 (new deadline 30 April 2020); • Companies with a balance sheet date between 1 October 2019 and 30 December 2019 may file their corporate income tax returns within 7 months from the balance sheet closing. <p>Due to the fact that notary offices and citizens may currently not be able to complete all the formalities in time, the Flemish Tax Administration will grant, as a general measure, an extension of two months after the end of the period in which the stricter corona measures apply (at present being 3 May 2020). This implies that:</p> <ul style="list-style-type: none"> • no tax increase for a late inheritance tax return will be imposed if the declaration is filed within two months after the end of the period of stricter corona measures. It is not necessary to request for this postponement. If, for example, an inheritance declaration should have been filed by 28 March at the latest, this deadline is now extended to 3 July (i.e. two months after the end of the period of stricter corona measures). The filing deadline is automatically extended if the more stringent measures remain in force for a longer period. • no tax increase will be imposed if the period within which a deed must be submitted for registration is exceeded. The period is automatically extended if the more stringent measures remain in force for a longer period. If, for example, two parties agree to sell an immovable property and this sale should be registered by 28 March, this deadline is now extended to 3 July (i.e. two months after the end of the period of stricter corona measures). The filing period is 	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>automatically extended if the more stringent measures remain in force for a longer period. In addition, the period of time to comply with the conditions to maintain a favourable regime is similarly extended with 2 months .</p> <p>Similar measures apply in the Walloon and Brussels region. In both regions the deadline for filing the inheritance tax return and paying the inheritance taxes is extended by four months without penalties and late interests becoming due, provided that the filing deadline expires between 16 March and 30 June 2020 (included). For the registration of certain deeds an additional period of four months applies if the registration deadline expires between 16 March and 30 June 2020 (included). This does not apply to authentic instruments. In addition, the payment of registration duties due in that same period is postponed by four months.</p>	
<p>Suspension / extension of tax payments' terms</p>	<p>To the extent that companies are facing financial difficulties directly resulting from the coronavirus spread (to be established and subject to further conditions), they are entitled to support measures consisting of (i) a deferral of payment, (ii) a waiver of late payment interest and (iii) a waiver of late payment fines. These measures can be requested for VAT, wage withholding tax, corporate income tax, personal income tax and legal entities tax. A company can request to apply (one or more of) these measures using a form specifically issued for this purpose and should submit a separate request for each individual debt. In principle, a request can only be lodged after the receipt of an assessment notice or a request for payment. For taxes which are not assessed but should be spontaneously paid to the State (e.g. (wage) withholding tax), it is recommend to spontaneously file a request before the usual payment date has passed. Application of these measures should in any case be requested on 30 June 2020 at the latest.</p>	
<p>Suspension / extension of tax controversies' terms</p>	<p>All non-essential and/or less urgent tax audits at the premises of the taxpayer are postponed. Audits that can be carried out remotely still take place.</p>	
<p>Others measures</p>	<p>Unemployment due to the corona crisis, is now considered as temporary unemployment due to force majeure <u>in all cases from 13 March onwards</u>. Contrary to earlier interpretations, there is no longer a distinction between full and partial closure. All applications for temporary unemployment due to force majeure will therefore be accepted automatically. The employer does no longer have to justify his application and only has to fill in one form. Also retroactively applying is possible.</p> <p>The employer may invoke <u>temporary unemployment due to force majeure</u> for his employees:</p> <ul style="list-style-type: none"> • if supplies are no longer assured; • if the employee is stranded abroad due to a flight/train cancellation or due to a quarantine measure; • if the employee is placed in quarantine in Belgium following his return from a risk area; • if there is an obligated closure of the company; • The scope of temporary unemployment is further extended: parents who are unable to go to work because they have to look after their children and workers who have to stay at home preventively (quarantine) will also be covered by temporary unemployment. <p>This facilitated access to temporary unemployment for reasons of <i>force majeure</i> applies in principle for the period between 13 March and 30 June 2020. If the National Employment Office recognizes the temporary unemployment due to force majeure, the employees concerned will benefit from temporary unemployment benefits amounting to 70 % of the limited</p>	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>gross wage (capped at 2,754.76 EUR per month; the increased percentage is applicable until 30 June 2020). The National Employment Office will pay 5.63 euros per day of unemployment and per employee, in addition to the unemployment benefit.</p> <p>Also the regional governments have announced various measures. In Flanders for example, businesses which are mandatorily closed entirely are entitled to a lump-sum compensation of €4,000 while businesses which can remain open on weekdays are entitled to a compensation of €2,000. If companies are required to remain closed after 4 April, they are entitled to an additional compensation of €160 per day. A compensation of EUR 3,000 is also foreseen for businesses that do not need to close but that can demonstrate that the turnover has decreased with at least 60% between 15 March 2020 and 30 April 2020 compared to the same period in the previous year. The Walloon government foresees a lump-sum indemnity of 5,000 euros for certain businesses that have to close and €2,500 for certain businesses that have to change their opening hours. Funds are also made available in the Brussels region for similar measures. These compensation payments are not taxed.</p> <p>The Flemish Government has also announced that the road tax collection for assessment year 2020 is postponed for legal entities by four months. Assessment notices sent as from 26 March onwards will immediately show a payment term of six months (instead of the usual two months). For assessment notices that were sent recently and on which a payment term of two months is mentioned, the taxpayer may add four months. No new late payment interest will be charged for that period. Other businesses can flexibly request a repayment plan and, if necessary, a waiver of interest on late payments. In addition, the assessment notices with respect to immovable property tax (onroerende voorheffing / précompte immobilier) which are usually issued in May will be sent out as from September 2020 for legal entities. This means <i>de facto</i> that the payment of immovable property tax is deferred for approximately four months for companies active in the Flemish Region. Self-employed persons can flexibly request a payment plan and, if necessary, a waiver of interest on late payments. In the meantime, the Flemish Government has also exceptionally given the municipalities the opportunity to adjust the surcharges for the immovable property tax. As a result of this, the assessment notices for immovable property tax can at the earliest be sent out at the end of June whereas these notices are generally issued at the end of April/beginning of May. This means that the immovable property tax is also deferred for non-legal entities, be it for approximately a two-month period.</p> <p>In the <i>Walloon region</i> the regional tax payments are for example suspended as the deadlines will be extended by the period corresponding to the crisis and the registration duty for converting mortgage mandates into a mortgage has temporarily been reduced to 0%.</p> <p>In the <i>Brussels region</i>, the Brussels Government has for example announced that it will extend the two-month payment term for immovable property tax and road tax with an additional two-months and that the registration duty for converting mortgage mandates into a mortgage will temporarily not be collected.</p> <p>Finally, the Federal Government has announced flexibility towards the performance of federal government contracts: if delays or non-completion result from the coronavirus, no fines nor penalties will be imposed.</p>	
<p>Individual taxation incentives / measures</p>	<p>Due to the measures taken in the fight against the coronavirus, the Ruling Commission is willing to provide a ruling confirming that the employer can temporarily give its employees, regardless of their job category, a tax-free allowance of up to EUR 126,94 per month to cover the costs caused by teleworking, such as heating, electricity, paper,...</p>	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>International tax law</p>	<p>Although income from employment is generally taxable in one's 'home' state, employees who are active in a cross-border context (e.g. Dutch residents working in Belgium or vice-versa) are often taxed in the country in which they are economically active (the 'work' state), provided that a minimum amount of the (professional) time is effectively spent in that country (specific conditions apply depending on the country in question).</p> <p>Considering the general advice of the Belgian (and foreign) authorities to telework to the largest extent possible, the period spent in the work state by these employees could significantly decrease, which could potentially limit the work state's right to tax the professional income, or even entirely shift this right to tax to the home state of the employee concerned. It is thus very important to keep a record of the days that the employee(s) concerned have worked from their home office, in order to assess any changes to the applicable tax regime.</p> <p>Specific agreements have been made regarding employees commuting between Belgium on the one hand, and Germany, France, Luxembourg or the Netherlands on the other hand.</p> <p>Belgium and The Netherlands have agreed that - for the purposes of the application of article 15, § 1 of the double tax treaty concluded between Belgium and the Netherlands - working days for which remuneration was received and on which the employee worked at home solely because of measures taken by the Dutch or Belgian government to fight the COVID-19 pandemic, are deemed to be spent in the Contracting State in which the employee would be employed without these measures. This fiction cannot be applied to working days which, independently of these measures, the employee would have been spent at home or in a third state. In particular, it cannot be applied by employees who, in accordance with their employment contract, generally exercise their employment from home. Employees who use the fiction are obliged to apply it in a consistent manner in both Contracting States and to maintain evidence (e.g. a written confirmation from the employer with respect to the days that an employee has been working at home due to the COVID-19 measures). This fiction can only be applied to the extent that the salaries for the days that were spent working at home are effectively taxed by the normal work state. The agreement is in principle effective as of March 11 to May 31. The agreement also contains provisions with respect to payments that an employee receives during a temporary unemployment. On 6 May 2020, a similar agreement is concluded between Belgium and Germany concerning article 15, § 1 of the Belgian-German double tax treaty for the days that an employee is working at home as a result of the COVID-19 measures taken by the Belgian and German Governments. Similar conditions and timing apply. On 6 May 2020, a similar agreement is concluded between Belgium and Germany concerning article 15, § 1 of the Belgian-German double tax treaty for the days that an employee is working at home as a result of the COVID-19 measures taken by the Belgian and German Governments. Similar conditions and timing apply.</p> <p>Employees commuting between Belgium and Luxembourg are taxable on their professional income in the work state if any professional activity physically carried on outside this work state is limited to a period of maximum 24 days, unless force majeure can be shown. In light of the current limitations on travel, the Belgian and Luxembourg authorities have expressed their intention to qualify the present situation as such force majeure: the period spent by the employee in his home state for the purpose of teleworking, will not be considered for the calculation of the aforementioned 24-day limitation. An agreement has also been reached between France and Belgium on the 30-day rule under the Belgium-France tax treaty that applies to French frontier workers. For both tax treaties, this measure is effective as of March 14 and applies until further notice. Belgium contemplates to agree upon an agreement with France and Luxembourg that is similar to the agreement that Belgium concluded with the Netherlands and Germany for other employees that work cross-border.</p>	

2.5. BRAZIL⁶



Number of Covid-19 cases:	374.498
Existence of tax subsidies / measures:	Yes
Date of last update:	26/05/2020

Tax measures to reduce the impact of COVID-19 are not uniform throughout the country and require analysis of regulations in each State and Municipality a specific company have establishments in or operates through. But they can be summarized as below:

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	<ol style="list-style-type: none"> Federal Tax on manufactured products (IPI): reduced to zero the rate of IPI on products used to combat Covid-19, such as hand sanitizers, alcohol gel, surgical face masks, medicines and others, until September 30, 2020. State Tax on the Circulation of Goods and on Services of Interstate and Intermunicipal Transportation and Communication (ICMS): some States (Bahia, Ceará, Distrito Federal, Maranhão, Pará, and Rio de Janeiro) granted Tax Exemption/Reductions on products used to fight the coronavirus, such as hand sanitizers, alcohol gel, surgical face masks, medicines, and others. Items may vary from State to State. State Tax on Circulation of Goods and on Services of Interstate and Intermunicipal Transportation and Communication (ICMS): State of Rio Grande do Norte reduced to 12% the tax burden of ICMS on energy destined to hotel activity, except to motels. 	<ol style="list-style-type: none"> Federal Decree n. 10.285, of March 23, 2020
Suspension / extension of tax filings' terms	<ol style="list-style-type: none"> Declaration of Federal Taxes (DCTF): the deadlines for the DCTFs that should ordinarily be filed in April, May and June 2020, are extended to the 15th business day of July 2020. Digital Tax Bookkeeping for Social Contributions (EFD-Contribuições): the deadlines for the EFD-Contribuições that should ordinarily be filed in April, May and June 2020, are extended to the 10th business day of July 2020. Special Regime for Micro and Small Companies (Simples Nacional): <ul style="list-style-type: none"> The deadline for submitting the Declaration of Socioeconomic and Tax Information (Defis) for calendar year 2019 is extended to June 30, 2020. The deadline for submission of the Annual Simplified Declaration for the Individual Micro-entrepreneur (DASN-Simei) for calendar year 2019 is extended to June 30, 2020. State Tax on the Circulation of Goods and Services of Interstate and Intermunicipal Transportation and Communication (ICMS): <ul style="list-style-type: none"> Espírito Santo: taxpayers may send or rectify the Digital Tax Bookkeeping - EFD's digital files of February 2020, until April 6, 2020, and of March 2020, until May 6, 2020. Rio de Janeiro: the filing term of the DUB-ICMS for the second half of 2019 is extended to April 30, 2020. 	<ol style="list-style-type: none"> and 2. Brazilian IRS (RFB) Normative Instruction n. 1.932, of April 3, 2020. Special Regime for Micro and Small Companies (Simples Nacional) Committee Resolution n. 153, of March 25, 2020. Brazilian IRS (RFB) Normative Instruction n. 1950, of May 13, 2020.

⁶ With the contribution of Sperling Advogados.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> • Mato Grosso do Sul: extended the deadline for the delivery of the Digital Tax Bookkeeping – EFD's digital file of February until July 2020, to the last business day of the month following the respective reference month. • Ceará: extension for 60 days, starting on March 16, of the deadline for delivery of the Digital Tax Bookkeeping (EFD), as well as the Special Tax Regimes (RET) and the accreditation acts related to operations with shrimp, lobster, and cashew nuts, respectively. • Mato Grosso: extended the deadline to submit the EFD due in March and April, to the last business day of said months. • Alagoas: extension for 90 days, of the deadline to submit the EFD, the Declaration regarding Substitute ICMS (ICMS-ST) (GIA-ST), as well as the Declaration regarding Tax Substitute, Rate Differences, and Anticipation (DeSTDA). • Amapá: extended the deadline to submit the EFD, and the DeSTDA, to April 30, 2020. Also, clarified that no penalties would be charged for the delay in filing these documents for 90 days, although no further extension has been granted other than that of April 2020. • Amazonas: extension for 60 days, starting on March 24, of the deadline to submit the EFD. • Goiás: extended the deadline to submit the EFD, GIA-ST, Control Document of Tax Documents Issued on the Electronic Data Processing System, to the corresponding due date in the following month after a period of 60 days, starting on March 25, 2020. <p>5. Municipal Tax on Service (ISS) – Belo Horizonte/MG: The deadlines for generating and sending the Electronic Declaration of Services (DES) and the Electronic Declaration of Services of Financial Institutions (DES-IF) are extended by one hundred days.*</p> <p>6. Digital Financial Statements (ECD): the deadline for submitting the Digital Financial Statements (ECD) for calendar year 2019 is extended to the last business day of July, 2020.</p>	
<p>Suspension / extension of tax payments' terms</p>	<p>1. Special Regime for Micro and Small Companies (Simples Nacional): payments related to federal taxes under the regime are extended as follows:</p> <ul style="list-style-type: none"> • Assessment of March/20 (initially due on April 20, 2020), will be due on October 20, 2020; • Assessment of April/20 (initially due on May 20, 2020), becomes due on November 20, 2020; and • Assessment of May/20 (originally due on June 20, 2020), will now expire on December 20, 2020. <p>State and Municipal taxes under the regime are extended as follows:</p> <ul style="list-style-type: none"> • Assessment of March/20 (initially due on April 20, 2020), will be due on July 20, 2020; • Assessment of April/20 (initially due on May 20, 2020), will be due on August 20, 2020; and • Assessment of May/20 (initially due on June 20, 2020), will be due on September 21, 2020; and <p>2. Guarantee Fund for Length of Service (FGTS): the collection of the FGTS by employers is suspended for March, April, and May 2020, with due dates in April, May, and June 2020.</p> <p>3. Social contributions (PIS and COFINS): the collection of these contributions on income for March and April 2020 (ordinarily due in April and May, respectively) was extended to August and October 2020. The extension does not comprehend the collection of these contributions on imports.</p> <p>4. Social security contributions due by the employer (CPP, GIL-RAT, and Contribution on Domestic Work): the collection of these contributions for March and April 2020 (ordinarily due in April and May, respectively) are extended to August and October 2020. The extension does not comprehend the social security contribution collected on income (CPRB).</p>	<p>1. Special Regime for Micro and Small Companies (Simples Nacional) Committee Resolution n. 154, of April 3, 2020.</p> <p>2. Presidential Provisory Measure n. 92, of March 22, 2020.</p> <p>3. and 4. Brazilian IRS (RFB) Ordinance n. 139, of April 3, 2020.</p> <p>5. Ministry of Economy Ordinance n. 150, of April 7, 2020.</p> <p>6. Presidential Provisory Measure n. 952, of April 15, 2020.</p> <p>7. Presidential Provisory Measure n. 960, of April 30, 2020.</p> <p>10. Ministry of Economy Ordinance n. 201, of May 12, 2020.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>5. Social security contributions due by rural employer (FUNRURAL) and social security contribution collected on income (CPRB): the collection of these contributions for March and April 2020 (ordinarily due in April and May, respectively) are extended to August and October 2020.</p> <p>6. Federal taxes levied on the provision of telecommunication services: the collection of these taxes ordinarily due in March 31, 2020 are extended to August 31 2020, and can be paid in five installments.</p> <p>7. Drawback: drawback special regimes that defer taxes on imports for a year and that were due in 2020 may be deferred for another year by the Foreign Trade Secretary (GECEX) of the Ministry of Economy. Impact on the following taxes: Import duty - II, Federal Tax on manufactured products - IPI, Social Contributions PIS and COFINS, State Tax on the Circulation of Goods and on Services of Interstate and Intermunicipal Transportation and Communication – ICMS –, and Contribution for the Renewal of Merchant Marine – AFRMM.</p> <p>8. Municipal Real Estate Property Tax (IPTU) and Garbage Collection Tax (TCTDRSU) – Maceió/AL: payment of these municipal taxes, which are due yearly, was extended to April through June, with reductions.</p> <p>9. Municipal Tariff on City Occupation and on Street Tradings – Maceió/AL: payment of these municipal tariffs regarding months of March, April, and May was suspended for 90 days.</p> <p>10. Federal Instalment Payment Plans: all instalment payment plans for federal tax debts were granted extensions. Instalment originally due in May, June and July 2020 were deferred to the last business day of August, October and December 2020, respectively. This extension does not apply to instalment payment plans within the scope of the Special Regime for Micro and Small Companies (“Simples Nacional”).</p> <p>11. “Simples Nacional” Federal Instalment Payment Plans: instalment payment plans for federal tax debts within the scope of the Special Regime for Micro and Small Companies (“Simples Nacional”) were granted extensions. Instalment originally due in May, June and July 2020 were deferred to the last business day of August, October and December 2020, respectively.</p>	<p>11. Special Regime for Micro and Small Companies (Simples Nacional) Committee Resolution n. 155, of May 15, 2020.</p>
<p>Suspension / extension of tax controversies' terms</p>	<p>1. Judicial Disputes: all terms in judicial disputes with <u>physical</u> court files are suspended until June 14, 2020. In case lockdown is ordered by a state authority, terms in judicial disputes - with <u>physical or digital</u> files - regarding that state will automatically be suspended. Terms in disputes with digital files may also be suspended upon request of local courts to the National Council of Justice (CNJ).</p> <p>2. Federal Tax Administrative Disputes: The Federal Revenue delayed all terms until May 29,2020 (except for collection of taxes falling under the statute of limitation), and the Administrative Court of Tax Appeals (CARF) suspended terms until April 30, 2020.</p> <p>3. State and Municipal Tax Administrative Disputes: Acts are uneven and need to be confirmed in each State and Municipality were dispute is taken.</p>	<p>1. National Council of Justice (CNJ) Ordinance n. 318, of May 7, 2020; and CNJ President's Ordinance n. 79, of May 22, 2019.</p> <p>2. Brazilian IRS (RFB) Ordinance n. 543, of March 20, 2020, and Administrative Court of Tax Appeals (CARF) Ordinance n. 8112, of March 20, 2020.</p>
<p>Others measures</p>	<p>1. Social Contribution to Other Entities: reduced in half the rate of contributions to SESCOOP, SESJ, SESC, SEST, SENAC, SENAI, SENAT, and SENAR.</p> <p>2. Loan and Credit Tax (IOF): reduced to zero the rate of IOF on certain loans and credit transactions, hired between April 3, 2020, and July 3, 2020.</p>	<p>1. Presidential Provisory Measure n. 932, of March 31, 2020.</p> <p>2. Presidential Decree n. 10305, of April 1, 2020.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>3. Import Duty: reduced to zero the rate of Import Duty, until September 30, 2020, on alcohol, disinfectants, antiseptic gel, protective clothing and accessories, laboratory and pharmacy articles, oxygen therapy and respiratory resuscitation devices and automatic respirators (steel lungs), among other goods listed in Resolution CAMEX 17/2020, on medical and hospital goods listed in Resolution CAMEX 28/2020, on medicines, vitamins, among other goods listed in Resolution CAMEX 31/2020 and in Ministry of Economy Ordinance n. 158, of April 15, 2020</p> <p>4. Priority Customs Clearance: Federal Revenue determines that certain Covid-19 combat products that will have priority customs clearance, such as alcohol, disinfectants, antiseptic gel, protective clothing and accessories, laboratory and pharmacy articles, oxygen therapy and respiratory resuscitation devices and automatic respirators (steel lungs), among other goods listed in Resolution CAMEX 17/2020 and the annex of Decree 10.285/2020. Later the priority was extended to chloroquine and its derivatives, test kits for Covid-19, and automatic DNA sequencers, among others.</p> <p>5. Suspension of antidumping duty:</p> <ul style="list-style-type: none"> • Until September 30, 2020, suspension of the antidumping duty to Brazilian imports of disposable syringes for general use, made of plastic, with a capacity of 1ml, 3ml, 5 ml, 10 ml or 20 ml, with or without needles, commonly classified in items 9018.31.11 and 9018.31.19 of the Common Nomenclature of MERCOSUR - NCM, originating in China. • Until September 30, 2020, suspension of the antidumping duty to Brazilian imports of plastic tubes for vacuum blood collection, commonly classified under items 3822.00.90, 3926.90.40 and 9018.39.99 of the MERCOSUR Common Nomenclature - NCM, originating in the Federal Republic of Germany, the United States of America, the United Kingdom of Great Britain and Northern Ireland and the People's Republic of China. <p>6. Creation of Cogec-Covid-19:</p> <ul style="list-style-type: none"> • Federal Revenue establishes the Customs Operational Centre for Crisis Management generated by the Coronavirus 2019 Pandemic Disease (Cogec-Covid-19). • The new structure stems from the need for more structured management of society's demands regarding the flow of foreign trade, especially the loads related to the Covid-19 combat, allowing higher speed in the analysis of external demand from both public agencies and the private sector. <p>7. National Treasury postpones payment and creates special installment payment of overdue federal tax liabilities.</p> <p>8. The validity of federal debt clearance certificate (CND and CPEND) were extended for 90 (ninety) days, as from March 24, 2020 (only applicable for certificates valid on this date).</p> <p>9. Some States also extended the validity of state debt clearance certificates: Mato Grosso do Sul, Rio de Janeiro, Santa Catarina, Mato Grosso, São Paulo, and Amapá.</p> <p>10. The following municipalities also extended the validity of municipal debt clearance certificates: Rio de Janeiro, Porto Alegre (capital of Rio Grande do Sul), São Paulo, Belo Horizonte (capital of Minas Gerais), and Belém (capital of Pará).</p> <p>11. Social Contributions on Imports (PIS-importação and COFINS-importação): reduced to zero rate of these social contributions on bulk medicines (TIPI 3003.90.99) and medicines in doses (TIPI 3004.90.99), until September 30, 2020.</p>	<p>3. Chamber of Foreign Trade (CAMEX) Resolution n. 17, of March 17, 2020, 28, of April 1, 2020 and 31, of April 7, 2020; Ministry of Economy Ordinance n. 158, of April 15, 2020.</p> <p>4. Brazilian IRS (RFB) Ordinance n. 1927, of March 18, 2020.</p> <p>5. Chamber of Foreign Trade (CAMEX) Resolution n. 23, of March 25, 2020.</p> <p>6. Brazilian IRS (RFB) Ordinance n. 601, of March 27, 2020.</p> <p>7. National Treasury's General State Attorney (PGFN) Ordinance n. 8457, of March 25, 2020.</p> <p>8. Presidential Provisory Measure n. 927, of March 22, 2020.</p> <p>11. Presidential Decree n. 10318, of April 9, 2020.</p>
<p>Individual taxation incentives / measures</p>	<p>1. Individual Income Tax (IRPF): the collection of individual income tax regarding 2019 earnings, ordinarily due in April 2020, is extended until June 2020.</p>	<p>1. and 2. Brazilian IRS (RFB) Ordinance n. 1930, of April 1, 2020.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>2. Declaration of Individual Income (DIRPF): the deadline for submitting the DIRPF for the calendar year of 2019 that should ordinarily be filed until April 30, 2020, is extended until June 30, 2020.</p> <p>3. Income Declaration for Deceased Individuals and for Individuals Definitively Exiting the Country: the deadline for filing these income declarations that should ordinarily be submitted until April 30, 2020, is extended until June 30, 2020.</p>	<p>3. Brazilian IRS (RFB) Ordinance n. 1934, of April 7, 2020.</p>
International tax law		

2.6. CANADA⁷



Number of Covid-19 cases:	85.103
Existence of tax subsidies / measures:	Yes
Date of last update:	12/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<p>Canada Emergency Wage Subsidy: eligible employers (other than certain tax-exempt and certain “public institutions”) that have experienced revenue declines in respect of their Canadian businesses in excess of 15% for the period of March 15, 2020 to April 11, 2020 or 30% for the period of April 12 to May 9 and May 10 to June 6, 2020 (each, a “qualifying period”) due to the COVID-19 pandemic and that pay remuneration to an employee on or after March 15, 2020 and before June 20, 2020 are eligible to receive a subsidy equal to 75% of the remuneration paid on the first \$58,700.</p> <p>The revenue decline may be measured with reference to (i) the corresponding period in the prior year (e.g., March 2019 in respect of the March 15 – April 11 qualifying period), or (ii) the average of the revenues in January and February 2020. An eligible employer that meets the applicable revenue reduction threshold in one qualifying period will be deemed to meet the threshold for the immediately following qualifying period.</p> <p>10% Temporary Wage Subsidy: eligible employers that do not qualify for the Canada Emergency Wage Subsidy (because, for example, revenues have not declined in excess of the requisite 15% or 30%) may be eligible for a 10% wage subsidy for three-months. The subsidy permits eligible employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency.</p> <p>An eligible employer may be eligible for both the Canada Emergency Wage Subsidy and the 10% Temporary Wage Subsidy. However, for an eligible employer that is eligible for both subsidies for a period, all amounts eligible to be claimed under the 10% Temporary Wage Subsidy for remuneration paid in a specific claim period would reduce the amount available to be claimed under the wage subsidy in that same period.</p>	<p><i>Income Tax Act</i> (Canada) (“Tax Act”): section 125.7</p> <p>Tax Act: subsection 153(1.02)</p>
Indirect tax incentives / measures	<p>Deferral of the remittance of Goods and Services Tax (“GST”) and Harmonized Sales Tax (“HST”) until June 30, 2020 to (i) monthly filers in respect of their February, March and April reporting periods, (ii) quarterly filers in respect of the first quarter of 2020, and (iii) annual filers whose GST/HST remittances or instalments are due in March, April or May 2020.</p> <p>Deferral of customs duty and sales tax for importers in respect of payments for March, April, and May until June 30, 2020.</p> <p>Note: no extensions have been granted in respect of GST/HST returns; however, no penalties will be imposed where a GST/HST return is filed late provided that it is filed by June 30, 2020.</p>	Pursuant to relief provisions provided in the applicable legislation.
Suspension / extension of tax filings’ terms	Deadlines for most tax and information returns under the Tax Act have been extended for the majority of taxpayers. ⁸	

⁷ With the contribution of McMillan.

⁸ Extended deadlines are as follows:

- Corporations – June 1, 2020 in respect of income tax returns due after March 18, 2020 and before June 1, 2020.
- Individuals (other than trusts) – June 1, 2020 .
- Trusts with December 31, 2019 year-end – May 1, 2020; June 1, 2020 for trusts with a filing due date in April or May.
- Charities – December 31, 2020 in respect of Form T3010, *Registered Charity Information Return*, due between March 18 and December 31, 2020.
- Partnerships – May 1, 2020 in respect of any income tax information return due after March 18, 2020.
- NR4, *Statement of Amounts Paid or Credited to Non-Residents of Canada* – May 1, 2020.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	Administrative income tax actions, such as the filing of other information returns (including Form T1134, <i>Information Return Relating to Controlled and Not-Controlled Foreign Affiliates</i>), forms, elections, designations and responses to information requests, have also been deferred until June 1, 2020. However, the extension does not apply in respect of Form T661, <i>Scientific Research and Experimental Development</i> , Form T2038 (IND), <i>Investment Tax Credit</i> , or related tax forms.	
Suspension / extension of tax payments' terms	<p>Deferrals have been granted to individuals, self-employed individuals, corporations and trusts until September 1, 2020 in respect of the payment of tax balances and instalments under Part I of the Tax Act otherwise due on or after March 18, 2020 and before September 1, 2020. Penalties and interest will not be charged if the deferred payment requirements are met by September 1, 2020.</p> <p>The deferral does not apply in respect of payroll remittances and taxes levied under other parts of the Tax Act, including non-resident withholding taxes under Part XIII.</p>	
Suspension / extension of tax controversies' terms	<p>Collection activities on new debts will be suspended until further notice.</p> <p>Audit interaction will not be initiated with small or medium businesses until further notice. All other audits are temporarily suspended. Audit interaction with taxpayers will be limited to high risk and exceptional cases, or cases of high risk GST/HST refund claims.</p> <p>Deadline in respect of objections due after March 18, 2020 is extended to June 30, 2020.</p> <p>Pursuant to a Practice Direction and Order dated April 17, 2020, the period beginning on March 16, 2020 and ending 60 days after the Court and its offices reopen for the transaction of business, will be excluded from the computation of time under the Tax Court of Canada Rules (General Procedure); all other Rules made under the <i>Tax Court of Canada Act</i> governing the conduct of matters that, pursuant to section 12 of the <i>Tax Court of Canada Act</i>, are under the Tax Court of Canada's jurisdiction; or an Order or Direction of the Tax Court of Canada.</p>	
Others measures		
Individual taxation incentives / measures	<p>Extension of deadlines to file income tax returns as well as deferral of income tax balances and instalments (see (d) and (e)).</p> <p>Reduction by 25% for 2020 the required minimum withdrawals from a registered retirement income fund. Similar reductions is expected to apply to individuals receiving variable benefit payments under a defined contribution registered pension plan and a pooled registered pension plan.</p> <p>The Canada Emergency Response Benefit (“CERB”) will provide eligible individuals with \$2,000 a month for up to four month for workers who have lost their income as a result of the COVID-19 pandemic.</p> <p>Certain low- and modest-income families will be eligible to receive a doubled maximum annual GST credit as a one-time special payment by early May 2020.</p> <p>The maximum annual Canada Child Benefit will be increased for the 2019-2020 benefit year by approximately \$300 per child.</p> <p>The Canada Emergency Student Benefit (“CESB”) will provide eligible post-secondary students and recent graduates \$1,250 and in some cases \$1,750 per month for May through August, 2020.</p>	<p>Extension and deferrals are provided pursuant to relief provisions provided in the applicable legislation.</p> <p>Registered plan measures: Tax Act, section 146.3; <i>Income Tax Regulations</i>, section 8506.</p> <p>CERB: <i>Canada Emergency Response Benefit Act</i>.</p> <p>GST credit: Tax Act, section 122.5</p> <p>Canada Child Benefit: Tax Act, section 122.61.</p> <p>CESB: <i>Canada Emergency Student Benefit Act</i></p>
International tax law		

2.7. CHILE⁹



Number of Covid-19 cases:	73.997
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	IRS Instruction N° 32, dated April 29 th of this year, has emphasized a number a tax benefits in the context of donations caused by COVID-19. In addition to including benefits in both direct and indirect tax matters, it established in which cases prior authorization of the tax authority and courts of law is not necessary, as well as indicating which disbursements in this context may be considered as deductible expenses.	IRS Instruction N° 32, 2020
Direct tax credits / incentives	The majority of the tax measures implemented by the Government are related to the extension and/or suspension of monthly payments which are eventually credited against yearly income taxes. Therefore, notwithstanding the measures relate to tax credits, they eventually result into less credit when it comes to filing the yearly income tax return. Consequently, the incentive behind the measures is not directly related to awarding more tax credits, but rather helping entrepreneurs increment cashflow in their business operations during the following months.	N/A
Indirect tax incentives / measures	VAT monthly payments due in April, May and June are extended for certain taxpayers. SME's will have to pay the overdue tax in 12 instalments (readjusted with no fines nor interests) starting in July of this year, whilst taxpayers whose yearly sales are below UF 350.000 (app. USD M11,6) must pay in 6 instalments (readjusted, with no fines nor interests) starting in July as well. It should be noted that the payment is extended, but taxpayers must still file the corresponding VAT tax declarations.	Decree N° 420 / 2020 Ministry of Finance
Suspension / extension of tax filings' terms	Until now, the deadline for presenting 22 Sworn Declarations has been extended. These declarations mainly consist on tax and accounting information which companies usually declare on an annual basis. Therefore, this measure aims to assist companies rather than individuals.	Decree N° 420 / 2020 Ministry of Finance
Suspension / extension of tax payments' terms	1. The term for paying annual income taxes has been extended only for SME's, being able to pay until July 31 st of this year. 2. Provisional monthly income tax payments have also been suspended for the months of April, May and June. This does not mean less income tax will be paid, but rather less credit will be awarded for yearly income tax (see letter b) above).	Decree N° 420 / 2020 Ministry of Finance

⁹ With the contribution of Albagli Zaliasnik.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>3. Further, the first instalment of property tax has been suspended, having to cancel such payment during the remaining three instalments during the year, duly readjusted with no penalties nor interests. This applies to individuals who own real estate fiscally valued under CLP M133 (app. USD 154,000) and companies whose sales are below UF 350.000 (app. USD M11,6).</p> <p>4. For indirect tax measures, please refer to letter c) above.</p>	
<p>Suspension / extension of tax controversies' terms</p>	<p>As long as the <i>exceptional state of catastrophe</i> imposed by the Government lasts:</p> <ol style="list-style-type: none"> 1. All hearings scheduled for Tax Court may be suspended; 2. Any impediment during trial may be alleged and based on the <i>state of exception</i>, up to a term of 10 days after the occurrence; and 3. All evidence and probationary periods are suspended. 	<p>Law N° 21.226</p>
<p>Others measures</p>	<ol style="list-style-type: none"> 1. Regarding documents subject to Stamp Tax issued between April 1st and September 30th, the tax rate has been reduced to 0%. 2. Interests and penalties applied to tax returns are subject to total and/or partial write-offs. 3. Concerning overdue tax payments accrued during the months of April, May and June, special agreements may be reached with local Treasury. This applies to individuals whose annual income is less than 90 UTA (app. USD 62,650) and companies whose annual income is less than UF 350.000 (app. USD M11,6). 4. Despite the new definition of <i>deductible expenses</i> incorporated by the recently approved Tax Reform, the tax administration has indicated that all mandatory and / or voluntary amounts incurred by taxpayers that intend to prevent or decrease the spread of COVID-19, as well as those disbursements intended to lessen or alleviate its effects, will be considered as deductible. 	<p>Law N° 21.225 (N° 1) Decree N° 420 / 2020 Ministry of Finance (N° 2 and 3) IRS Instruction N° 32, 2020</p>
<p>Individual taxation incentives / measures</p>	<p>Provided the annual income tax return is filed within specific dates, tax refunds will be anticipated. This only applies to individuals and SME's.</p>	<p>Decree N° 420 / 2020 Ministry of Finance</p>
<p>International tax law</p>		

2.8. CHINA



Number of Covid-19 cases:	84.543
Existence of tax subsidies / measures:	Yes
Date of last update:	14/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	For corporate income tax ("CIT") and individual income tax ("IIT"), (i) donations in cash and in kind for epidemic response through non-profit organizations, governments above county level, or their departments; and (ii) materials directly donated to designated hospitals, can be fully deducted.	<ul style="list-style-type: none"> - <i>Announcement on Tax Supportive Policies regarding Donations for New Corona Virus Prevention and Control</i>, issued by MOF¹⁰ and SAT¹¹ (MOF SAT Announcement No. 9, 2020) - <i>Announcement on Supportive Tax Collection Matters for New Corona Virus Prevention and Control</i>, issued by SAT (SAT Announcement No.4, 2020)
Direct tax credits / incentives	<p>IIT exemption on the following:</p> <ul style="list-style-type: none"> a) Medicine, medical supplies and protective supplies offered to employees (no deemed sales); b) Temporary subsidies and awards granted to medical personnel and other public health workers participating in the epidemic prevention and control. <p>CIT incentives:</p> <ul style="list-style-type: none"> a) For enterprises producing key supplies and materials for epidemic prevention (<i>to be determined by the government, "Eligible Enterprises"</i>): full deduction of new equipment purchase cost, without depreciation; b) For enterprises in difficult industries (<i>including transportation, catering, accommodation and tourism</i>): extension of 2020 loss carryover period to 8 years (previously 5 years). 	<ul style="list-style-type: none"> - <i>Announcement on IIT Supportive Policies for the New Corona Virus Prevention and Control</i>, issued by MOF and SAT (Announcement No. 10, 2020) - <i>Announcement on Supportive Tax Policies for the New Corona Virus Prevention and Control</i>, issued by MOF and SAT (MOF SAT Announcement No. 8, 2020) - SAT Announcement No.4, 2020
Indirect tax incentives / measures	<p>VAT exemptions on the following:</p> <ul style="list-style-type: none"> a) Provision of public transportation services, living services and courier delivery services; b) Transportation of key emergency supplies; c) Donations of self-produced, commissioned purchased goods for epidemic response through qualified organizations or directly to the designated hospitals (no deemed sales; same exemption treatment for consumption tax and tax surcharges) <p>VAT refund:</p>	<ul style="list-style-type: none"> - MOF SAT Announcement No. 8, 2020 - SAT Announcement No.4, 2020 - MOF SAT Announcement No. 9, 2020

¹⁰ Ministry of Finance

¹¹ State Administration of Taxation

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>a) Monthly refund of the incremental input VAT for Eligible Enterprises, meaning that if such companies incur incremental input VAT due to more purchase, the increased VAT cost can be refundable.</p> <p>VAT lower rate for small-scale taxpayers from March 1 to May 31, 2020:</p> <p>a) Small-scale taxpayers in Hubei Province previously subject to the 3% VAT rate or the 3% pre-filing VAT rate will be exempted / suspended from VAT.</p> <p>b) Small-scale taxpayers outside Hubei Province subject to the 3% VAT rate or the 3% pre-filing VAT rate will apply the reduced rate of 1% for VAT.</p> <p>Import duties exemptions on the following:</p> <p>a) Goods directly used for epidemic prevention and control and imported via health departments;</p> <p>b) Eligible goods imported for donations to eligible entities for epidemic prevention (same exemption treatment for import VAT and consumption tax).</p>	<p>- <i>Announcement on Supportive VAT Policies regarding Work Return of Individual Businesses</i>, issued by MOF and SAT (Announcement No. 13, 2020)</p> <p>- <i>Announcement on Supportive Tax Matters regarding Work Return of Individual Businesses</i>, issued by SAT (Announcement No. 5, 2020)</p> <p>- <i>Intrim Measures on Import Taes Exemption for Charitable Donations</i></p> <p>- <i>Announcement on Tax Exemption Policies regarding the Goods Imported for Epidemic Prevention and Control</i>, issued by MOF, GAC¹² and SAT (Announcement No. 6, 2020)</p>
Suspension / extension of tax filings' terms	<p>a) Tax filing corresponding to April 2020 is extended to April 24, 2020.</p> <p>b) Taxpayers may also apply for a late filing due to force majeure, without any late payment interests or penalties, subject to special approval from the in-charge tax authorities.</p>	<p>- <i>Notice on Tax Filing Extension for March 2020</i>, issued by SAT (Shui Zong Han [2020] No. 37)</p> <p>- <i>Tax Collection and Administration Law</i> and its implementation rules</p>
Suspension / extension of tax payments' terms	<p>a) Taxpayers may apply for a late payment due to force majeure for 3 months at the most (tax payments may still be required during a late tax filing on an assessment and pre-payment basis), without any late payment interests or penalties, subject to special approval from the in-charge tax authorities.</p> <p>b) Import/export taxes due between February 3 and the work resumption date announced by the local government can be settled within 15 days after the work resumption date.</p>	<p>- <i>Notice on Tax Filing Extension for March 2020</i>, issued by SAT (Shui Zong Han [2020] No. 37)</p> <p>- <i>Tax Collection and Administration Law</i> and its implementation rules</p>
Suspension / extension of tax controversies' terms	<p>Taxpayers may apply for an extension or suspension due to force majeure in a tax administrative review or a tax administrative litigation.</p>	<p>- <i>Administrative Review Law</i> and its implementation rules;</p> <p>- <i>Administrative Litigation Law</i> and its implementation rules.</p>
Others measures	<p>Reduction and exemption on payment of entity employers for pension insurance, unemployed insurance and occupational injury insurance ("3 Insurances' Payment"):</p>	<p>- <i>Notice on Periodic Reduction of Enterprises' Social Insurance</i></p>

¹² General Administration of Customs

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>a) Enterprises in Hubei Province may be exempted from the 3 Insurances' Payment from February 2020 for 5 months at the most, subject to local rules;</p> <p>b) Small and medium sized enterprises in other provinces may be exempted from the 3 Insurances' Payment from February 2020 for 5 months at the most, subject to local rules;</p> <p>c) Large sized enterprises in other provinces may be half-reduced from the 3 Insurances' Payment from February 2020 for 3 months at the most, subject to local rules.</p> <p>Half reduction in payment of entity employers for medical insurance:</p> <p>a) Subject to local rules, enterprises may be half reduced of the payment for medical insurance from February 2020 for 5 months at the most.</p> <p>Reduction of land use tax ("LUT") for logistic enterprises:</p> <p>a) Land used by logistic enterprises for the warehousing of qualified bulk commodities may enjoy a 50% reduction of the LUT during the period from January 1, 2020 to December 31, 2022.</p> <p>Local reductions on the land use tax ("LUT"):</p> <p>a) Subject to local policies, qualified taxpayers may be exempted or reduced on the LUT payment (and real estate tax in certain areas, e.g., Shanghai, Suzhou and Shenzhen).</p> <p>Push tax credit system information for bank loans:</p> <p>a) For small enterprises in wholesale and retail business, accommodation and catering, logistics and transportation, and cultural industry and tourism, which have been seriously impacted by the outbreak and have financing needs, the tax authority would push the enterprises' tax information (credit ranks and tax payment information) to the banks to facilitate the enterprises' loan application.</p> <p>Local subsidies on small enterprises and individuals: Local governments may grant cash subsidies to small enterprises and employees seriously impacted by the outbreak. For example, Hangzhou would provide subsidies for two months to small enterprises with annual taxable income lower than RMB500,000, referring to the enterprise's monthly VAT payment in 2019. Employees with annual income lower than RMB72,000 in 2019 and renting houses may receive rental subsidy of RMB500.</p>	<p><i>Payment</i>, issued by HRSS¹³, MOF and SAT (Ren She Bu Fa [2020] No. 11)</p> <p>- <i>Notice on Implementation the Policies on Periodic Reduction of Enterprises' Social Insurance Payment</i>, issued by SAT (Shui Zong Han [2020] No. 33)</p> <p>- <i>Guidelines on Periodic Reduction of Medical Insurance Payment</i>, issued by NHSA¹⁴, MOF and SAT (Yi Bao Fa [2020] No. 6)</p> <p>- <i>Announcement on Continuing the LUT Tax Benefit for Land Used by Logistic Enterprises for Bulk Commodities Storage</i>, issued by MOF and SAT (Announcement No. 16, 2020)</p> <p>- <i>Notice on Boosting the Work Resumption of Small Enterprises Through "Bank-Tax Interaction"</i>, issued by the General Office of SAT and the General Office of China Banking and Insurance Regulatory Commission (Shui Zong Ban Fa [2020] No.10),</p>
<p>Individual taxation incentives / measures</p>	<p>IIT incentives see Section "Direct tax credits / incentives"</p>	<p>- See Item 2) ("Direct tax credits / incentives")</p>
<p>International tax law</p>		

¹³ Ministry of Human Resources and Social Security

¹⁴ National Healthcare Security Administration

2.9. CROATIA¹⁵



Number of Covid-19 cases:	2.244
Existence of tax subsidies / measures:	Yes
Date of last update:	12/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	VAT exemption for imports of goods for donation purposes - The import of goods required to combat the effects of the COVID-19 disease pandemic shall not be subject to VAT in accordance with the conditions laid down in the Commission Decision (EU) 2020/491 of 3.4.2020. VAT exemption for supplies for donation purposes - The exemption is available for supplies of goods and services, made free of charge, which are necessary to combat the effects of the COVID-19 disease pandemic and are available for supplies made until 20.6.2020. With regards to the deductibility of donation costs for CIT purposes these are tax deductible expense up to the amount of 2% of previous year revenue and if made for listed (i.e. humanitarian) purposes.	Value Added Tax Law / Corporate Profit Tax Law
Direct tax credits / incentives	There is full exemption mainly for social security contributions and personal income tax liabilities for taxpayers who had revenues below HRK 7.5 million in 2019 and a partial exemption shall apply to other taxpayers in proportion to the percentage decrease in revenues in the case certain criteria is met (i.e. decline in revenue caused by COVID-19). In addition, social security contributions will be borne by the Government for the payment of aid for preserving jobs in activities affected by COVID -19 (i.e. assessed on the net salary amount of 3.250/4.000 HRK respectively).	General Tax Law
Indirect tax incentives / measures	Payment of VAT upon collection - Deferred payment of VAT for taxpayers who determine the tax liability on the basis of issued invoices, namely for VAT recorded in the VAT return for March 2020 (or for the first quarter of 2020 for quarterly payments) and the VAT return for April 2020. If the special circumstances last longer, the payment deferral can be extended for another 3 months. One of the criteria to be eligible for this measure is that the taxpayer meets the predefined conditions (i.e. decline in revenue). In addition, the taxpayer must prove that the VAT liability arises from invoices that could not be collected and incoming invoices that have not been settled. Payment of VAT on imports - Postponed accounting via VAT return is extended to all imports presuming that the taxpayer registered for VAT purposes records the VAT liability on the import as a liability in the VAT return. This measure is available for the import of goods performed until 20.6.2020	General Tax Law / VAT law
Suspension / extension of tax filings' terms	The deadline for filing of CIT return has been moved to 30.6.2020. Refers also to all other forms and reports to be submitted together with the CIT return or within the same deadline. Payment of CIT liability was moved to 31 July 2020.	General Tax Law
Suspension / extension of tax payments' terms	Deferred payment of tax liabilities and other public levies, except for customs duties and excise duties as assessed by tax administration is available. In order to apply one of the following must be met: -decrease in revenues / incoming payments in the month preceding the month of application for tax measures of at least 20 % as compared to the same month of the previous year, or - substantiated statement that the revenues / incoming payments will decrease by at least 20 % in the next 3 months from the month of the application as compared to the same period of the previous year. On the basis of an approved application, payment deferral (for a period of 3 months + 3 months) without assessment of interest. After the expiration of this period, it is possible to arrange payment in instalments for up to 24 months without interest assessment.	General Tax Law
Suspension / extension of tax controversies' terms		

¹⁵ With the contribution of Leitner Leitner

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Others measures</p>	<p>The Government of the Republic of Croatia has taken measures to preserve jobs for employers whose economic activity has been affected due to the special circumstances caused by the coronavirus (COVID -19).</p> <p>The government introduced the aid for preserving jobs in activities affected by the corona-virus (COVID – 19) in the following amounts:</p> <ul style="list-style-type: none"> • Amount of HRK 4,000 for April and May 2020 per employee • Amount of HRK 3,250 for March 2020 per employee <p>The aid can be obtained by:</p> <ul style="list-style-type: none"> – Employers who can demonstrate the impact of special circumstances on a significant decline in their business activity. A decline of more than 20 % compared to the same month of the previous year is acceptable, – Employers who are unable to perform their business activity in accordance with the decisions of the Civil Protection Staff. <p>An employer may not be granted support if there has been a decrease in the number of employees in the period from 20.3.2020 until the date of submission of the application for aid, if the percentage of employment decline is above proscribed criteria.</p>	<p>Government decision</p>
<p>Individual taxation incentives / measures</p>	<p>Individuals will be entitled to an early personal income tax refund. Per the current provisions, a personal income tax refund based on an annual tax assessment is made after the expiration of the deadline for objection to the provisional notice of assessment issued in June, which was usually during August of the current year. Now the refund will be made at the time of delivery of the provisional assessment notice to the individual (June 2020), who keeps his/her right to lodge an objection.</p>	<p>General Tax Law</p>
<p>International tax law</p>		

2.10. COLOMBIA¹⁶



Number of Covid-19 cases:	21.175
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	Special VAT exemptions have been granted in respect to import and sale of certain medical equipment	Decree 435 of 2020
Suspension / extension of tax filings' terms	In general terms, the deadlines for the filing and payment of tax obligations have been extended: <ul style="list-style-type: none"> Income tax return filings and payments have been extended to all corporations until April 21, 2020. VAT paymen has been extended until June 30, 2020 only to certain industries and activities: hotels, tourism, restaurants, commercial airlines and entertainment. Taxpayers form different sectors have to comply with the VAT collection in accordance to the original terms. Local tax administrations have also extended tax filings and payments' terms for industry and trade tax property tax and vehicle tax. The tax filing and payments' extensions depends on every municipality.	Decree 401 of 2020 Decree 435 of 2020 Decree 438 of 2020
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms	Colombian tax administration suspended controversy terms until May 30, 2020. This suspension includes any administrative action a taxpayer may bring against a notice of proceedings of assessment and collection of taxes . In any case, the tax administration may notify administrative actions during the suspension of terms. National courts have also suspended the terms until April 13, 2020.	Act PCSJA20-11-521 of March 19, 2020 Resolution 030 de 2020.
Others measures	The term to apply to the special tax regime for non-profit organizations has been extended until June 30, 2020. Tax administration also extended the terms to apply to special customs regime (<i>Usuarios aduaneros permanentes</i> and <i>Usuarios altamente exportadores</i>) until May 31, 2020.	Decree 436 of 2020 Decree 438 of 2020 Act 436 of 2020 Resolution 22 of 2020 of the Colombian tax administration.
Individual taxation incentives / measures		
International tax law		

¹⁶ With the contribution of Posse Herrera.

2.11. COSTA RICA¹⁷



Number of Covid-19 cases:	930
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<p>The law 9830 establishes the following extraordinary actions:</p> <p>a) Moratorium on the payment of VAT and selective consumption tax: The declaration corresponding to the months of March, April and May 2020 may be presented during the months of April, May and June 2020 without simultaneously making the payment. The tax corresponding to these months may be paid no later than December 31, 2020, without incurring in the payment of interest or fines</p> <p>b) Moratorium on the second partial payment of the profit tax: It is authorized not to make the partial payments of the profit tax that would correspond to the taxpayers in the months of April, May and June 2020. This moratorium does not include the first partial payment to be made in the month of March 2020. Nor does it apply to taxpayers with a special tax period previously approved by the Tax Administration who must declare and pay the tax in the months covered by the moratorium.</p> <p>c) Tariff Moratorium: During the months of April, May and June of this year, imported goods may be nationalized without paying the corresponding tariffs. By December 31, 2020, the payment of the pending duties must be complied with without the surcharge of fines or interests. Agricultural and livestock products classified in Chapter 1 to 24 of the Central American Tariff System are excluded.</p> <p>d) Exemption from VAT on commercial property leases: For the months of April, May and June 2020, commercial property leases shall be exempt, provided that the lessee and lessor are registered in the Single Tax Registry, General Regime or Special Agricultural Regime.</p> <p>Additionally, The Costa Rican Tourism Institute (ICT) charges a 5% tax on the sale of each air ticket that originates in Costa Rica, another 5% tax that applies to the purchase of tickets whose destination is Costa Rica and a \$15 tax on the income of each tourist. The ICT's Board of Directors agreed to implement a tax moratorium on the above taxes for the months of April, May, June and July 2020. Taxpayers will have until November 30, 2020 to make the payment due for the months of April, May, June and July 2020, without penalties or interest. However, during the months of April, May, June and July the respective tax returns must be filed.</p>	<p>Law No 9830</p> <p>Rule No 42271-H</p> <p>ICT's Board of Directors Agreement No SJD-092-2020</p>
Suspension / extension of tax controversies' terms	<p>The Ministry of Finance announced that as of March 19 and until further notice, its offices will remain restricted and will provide their services digitally through the web platform, e-mail and telephone lines. The tax formalities could be carried out by e-mail, unless the person does not have access to this means or needs to deliver a physical document. If the taxpayer has a digital signature, there should be no impediment to the filing and processing of the application. The ATV, EXONET and TICA computer systems continue to function normally. On the other hand, Tax Administrative Court has decided to suspend the term for the filing of the complaint or the arguments from March 24 until April 12, 2020. In addition, The Supreme Court of Justice has suspended all the terms from March 23, 2020 until April 3, 2020.</p>	<p>Rule No 52-2020 issued by Supreme Court of Justice</p> <p>Resolution No TFA-RES-PRES-004-2020 issued by Tax Administrative Court</p>

¹⁷ With the contribution of Consortium Legal.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Others measures</p>	<p>A. SOCIAL CONTRIBUTIONS The Board of Directors of the Caja Costarricense de Seguridad Social (CCSS) approved a series of temporary measures to mitigate the economic impact of the Coronavirus crisis on employers and independent insureds, including the following Until June 30th, 2020, anyone with a payment agreement who is in arrears will not be required to make additional payments to stay current. Until June 30th, 2020, those who have no debt but are in arrears may enter into payment agreements with the sole requirement of paying the contributions of the Worker Protection Law if they are an employer, or making an initial payment of 5% of the arrears if they are self-employed. Until August 31st, 2020, the interest rate on settlements will be reduced by one percentage point to 5.5%. Collection efforts will be postponed until June 30th, 2020, specifically those related to the initiation of proceedings for the closure of businesses due to delinquency, the material execution of the closure, the filing of collection claims or complaints for undue retention.</p> <p>In addition, the Board of Directors of the Costa Rican Social Security Fund (CCSS) approved a 75% reduction in the minimum contribution base for health insurance and pensions during the months of March, April and May 2020, due to the health emergency currently affecting the country. This would apply to the invoicing of employer payrolls, contributions by independent workers (including those with a Collective Bargaining Agreement) and public sector workers who report part time according to the records of the SICERE</p> <p>B. FREE TRADE ZONE REGIME Under the National Emergency Decree in relation to COVID-19, PROCOMER, COMEX and the General Directorate of Customs issued a joint statement to authorize the transfer of computer equipment and furniture used by employees of companies benefiting from the Free Trade Zone Regime so that they can perform their duties under the telework mode, without the prior payment of taxes. In summary, companies must make an inventory with the following information: • Identification number of the asset. • Description and main characteristics of each good that leaves the enabled area. • Name and identification of the person assigned to use the equipment. • Location of their home or place where the employee will telework. • Inform the Customs control and copy PROCOMER to the e-mail asesores@procomer.com The companies under this Regime will be responsible for the damage, breakdowns, theft or loss of the equipment that is removed, being obliged to pay the corresponding taxes</p>	
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>		

2.12. CZECH REPUBLIC¹⁸



Number of Covid-19 cases:	9.002
Existence of tax subsidies / measures:	Yes
Date of last update:	14/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	Quarterly/semi-annually advance payments of PIT and CIT to be made by 15 June 2020 have been generally waived.	Resolution of the Minister of Finance no. MF-7633/2020/3901-2 published in Financial Gazette no. 5/2020 of 24 March 2020
Indirect tax incentives / measures	VAT on free-of-charge deliveries of selected medical supplies and their ingredients has been waived in order to mitigate the effects of the COVID-19 outbreak. These include, e.g. respirators, face masks, gloves, face shields, or disinfectants and materials for their manufacture. The waiver covers the period from 12 March 2020 until the end of the state of emergency.	Resolution of the Minister of Finance no. MF-8592/2020/39-2 published in Financial Gazette no. 6/2020 of 31 March 2020
Suspension / extension of tax filings' terms	<p>Penalty for late filing of tax return has been pardoned for PIT and CIT taxpayers who are obligated to file by 1 April 2020 but file instead no later than 1 July 2020.</p> <p>Penalty for late filing of Real Estate Acquisition Tax returns has been waived to taxpayers for whom the deadline for paying the tax, or an advance therefor, occurs in the period of 31 March 2020 through 31 July 2020 provided that the tax will be paid by 31 August 2020</p> <p>Penalty for non-filing of VAT control statement has been pardoned for VAT payers for whom the obligation to pay such penalty under the law has arisen between 1 March 2020 and 31 July 2020.</p> <p>VAT payers who have been granted, upon their individual request, a partial or full waiver of the fine for non-filing a control statement for reasons related to COVID-19 are automatically granted a waiver of fine for late filing a VAT tax return for the tax period partly or wholly identical with the tax period for which the control statement, in connection with which the fine has been waived, is filed provided that the late filing of the VAT tax return is made at the latest on the day when such late control statement has been filed.</p>	<p>Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no. 4/2020 of 16 March 2020</p> <p>Resolution of the Minister of Finance no. MF-7633/2020/3901-2 published in Financial Gazette no. 5/2020 of 24 March 2020</p> <p>Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no. 4/2020 of 16 March 2020</p> <p>Resolution of the Minister of Finance no. MF-7633/2020/3901-2 published in Financial Gazette no. 5/2020 of 24 March 2020</p>
Suspension / extension of tax payments' terms	<p>Late interest on late payment of income tax has been pardoned for PIT and CIT taxpayers who are obligated to pay the tax by 1 April 2020 but pay instead no later than 1 July 2020.</p> <p>Late interest for late payment of Road Tax advances due by 15 April 2020 and 15 July 2020 has been waived provided that such advances will be paid by 15 October 2020 at the latest.</p> <p>Penalty for late filing of Real Estate Acquisition Tax returns has been waived to taxpayers for whom the deadline for filing the tax return occurs in the period of 31 March 2020 through 31 July 2020 provided that the tax return will be filed by 31 August 2020</p>	<p>Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no. 4/2020 of 16 March 2020</p> <p>Resolution of the Minister of Finance no. MF-8592/2020/39-2 published in Financial Gazette no. 6/2020 of 31 March 2020</p> <p>Resolution of the Minister of Finance no. MF-7633/2020/3901-2 published</p>

¹⁸ With the contribution of Dentons Europe CS

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
		in Financial Gazette no. 5/2020 of 24 March 2020
<p>Suspension / extension of tax controversies' terms</p>		
<p>Others measures</p>	<p>Administrative fees for submitting certain tax-related and customs duty-related applications, including (a) for postponement or rescheduling of payment of a tax, (b) for remission of interest on late payment of a tax, and (c) for a remission of penalty for not submitting the VAT control report have been waived. This waiver of administrative fees is effective for applications submitted until 31 July 2020.</p> <p>The electronic sales recording obligation has been suspended from 27 March 2020 during the period of the state of emergency and three months following the end of the state of emergency. During this period no taxpayer has to record its sales and this obligation will not be checked or enforced in any way.</p>	<p>Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no. 4/2020 of 16 March 2020, and Resolution of the Minister of Finance no. MF-7633/2020/3901-2 published in Financial Gazette no. 5/2020 of 24 March 2020 Act no. 137/2020 Coll. on Certain Adjustments in the Area of Sales Recording in Connection with the Proclamation of the State of Emergency</p>
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>		

2.13. DENMARK¹⁹



Number of Covid-19 cases:	11.387
Existence of tax subsidies / measures:	Yes
Date of last update:	05/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms	<p>Extended tax return filing deadline for the income year 2019 The tax return filing deadline for businesses and companies has been extended for the income year 2019.</p> <p>For companies with a tax return filing deadline of 31 March 2020 and later regarding the income year 2019, the deadline has been extended to 1 September 2020.</p> <p>For personally owned businesses the deadline has been extended to 1 September 2020. The usual deadline is 1 July 2020.</p>	The Tax Control Act.
Suspension / extension of tax payments' terms	<p>Postponed deadlines for paying withheld payroll tax ("A-skat") and labour market contribution Under current rules, businesses must pay withheld payroll tax ("A-skat") and labour market contribution in monthly installments. Small businesses must pay the installment on the 10th of the month following the settlement month. Large businesses must pay the installment on the last banking day of the month to which the income relates.</p> <p>Large businesses are defined as businesses with a total payroll tax payment of more than DKK 1 million over a preceding 12 months period or a total labour market contribution payment of more than DKK 250,000 in the same period.</p> <p>With a new bill, the payment deadlines for the installments in April, May and June are postponed by 4 months.</p> <p>The above does not cover the month of March. Businesses that do not pay withheld payroll tax and labour market contributions on 31 March 2020 or 14 April 2020 as a result of the corona situation, and that make the payment immediately after the cause of non-compliance has been removed, may apply for exemption from payment of interest and fees on A-tax and labour market contribution. Businesses cannot apply until they have actually paid the withheld payroll tax and labour market contribution due for March.</p> <p>Postponed deadlines for paying self-employed income tax ("B-skat") Under current rules, self-employed income tax ("B-skat") is paid in 10 annual installments with the latest timely payment on the 20th of each of the months of January, February, March, April, May, July, August, September, October and November.</p> <p>The payment deadline for self-employed income tax ("B-skat") on 20 April 2020 is now postponed to 20 June 2020, and the payment deadline for self-employed income tax ("B-skat") on 20 May 2020 is postponed to 20 December 2020.</p>	The newly introduced Act on the temporary postponement of payment deadlines for A-tax and labor market contribution and temporary postponement of declaration and payment deadlines for VAT, etc. in connection with covid-19

¹⁹ With the contribution of Kromann Reumert

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Postponed payment of VAT for businesses Under current rules, large businesses must report VAT on a monthly basis. Large businesses are defined as businesses whose total VAT liable deliveries exceed DKK 50 million annually.</p> <p>With a new bill, the payment deadlines for the monthly installments in March, April and May 2020 are postponed for large businesses. As such, VAT must be paid to the tax administration:</p> <p>25 May (instead of 27 April) for the VAT period 1 March – 31 March 25 June (instead of 25 May) for the VAT period 1 April – 30 April 27 July (instead of 25 June) for the VAT period 1 May – 31 May</p> <p>For medium-sized businesses, the payment of VAT for the first quarter of 2020 is postponed, so that the payment deadline is merged with the payment deadline for the second quarter of 2020. The payment deadline is thus postponed from 2 June 2020 to 1 September 2020. Medium-sized businesses are defined as businesses whose total VAT liable deliveries are between DKK 5-50 million annually.</p> <p>For small businesses, the payment of VAT is postponed for the first half of 2020, so that the payment deadline is combined with the payment deadline for the second half of 2020. The payment deadline is thus postponed from 1 September 2020 to 1 March 2021. Small businesses are defined as businesses whose total VAT liable deliveries are less than DKK 5 million annually.</p> <p>Postponed payment of payroll tax ("lønsafgift") With a new bill, the deadlines for reporting payroll tax ("lønsafgift") for so-called method 4-businesses (dentists, occupational therapists, haulers etc.) are postponed. The deadline for payment of payroll tax for Q2 2020 is postponed from 15 July 2020 to 1 September 2020, while the deadline for payment of payroll tax for Q3 2020 is postponed from 15 October 2020 to 16 November 2020.</p>	
<p>Suspension / extension of tax controversies' terms</p>		
<p>Others measures</p>	<p>Credit balance in the tax account A credit balance in the tax account ("Skattekontoen") indicates that the business has a net receivable against the tax administration. Under current rules, the credit balance is generally paid out to the business. However, the business can choose that only amounts in excess of DKK 200,000 are paid out.</p> <p>With a new bill, the DKK 200,000 limit is raised to DKK 100 billion. The increase is temporary for the period 7 May 2020 to 1 April 2021. Thereafter, the limit is DKK 200,000 again.</p> <p>Advanced deadline for receiving tax credits So-called tax credits are paid out as a refund for deficits arising from R&D expenditures. Payment of tax credits ("skattekreditter") regarding the income year 2019 has been advanced, so that tax credits can be paid out to businesses in June 2020 instead of in November 2020. Businesses must apply for receiving the tax credits under the advanced deadline.</p> <p>Interest free VAT/payroll tax loans With a new bill, the government has introduced interest free VAT/payroll tax loans, whereby businesses can receive already paid VAT/payroll tax as an interest free loan payable by 1 April 2021.</p> <p>Businesses subject to quarterly VAT reporting can receive an amount equal to reported VAT for Q4 2019 as an interest-free loan, while businesses subject to semi-annual VAT reporting can receive an amount equal to reported VAT for the second half of 2019 as an interest-free loan.</p>	<p>The newly introduced Act on the temporary postponement of payment deadlines for A-tax and labor market contribution and temporary postponement of declaration and payment deadlines for VAT, etc. in connection with covid-19</p> <p>and</p> <p>The newly introduced Act on interest-free loans corresponding to reported VAT and payroll tax and advance payment of tax credits, etc. in connection with covid-19.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>So-called method 4-businesses (dentists, occupational therapists, haulers etc.) can receive an amount equal to the payroll tax for Q1 2020 as well as ¼ of the payroll tax on profits for the income year 2019 (corresponding to an estimated quarterly share) as an interest-free loan.</p> <p>Application for an interest free VAT/payroll tax loan must be made with the Tax Administration on 15 June 2020 at the latest.</p>	
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>		

2.14. ECUADOR²⁰



Number of Covid-19 cases:	37.355
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	No. Up to this date (02-04-2020) Ecuadorian competent authorities have not enacted any tax amnesty or relief regarding to donations for COVID 19 sanitary emergency.	
Direct tax credits / incentives	<p>Income Tax:</p> <p>The Internal Revenue Service has not suspended formal filing obligations. However, according to the Executive Decree 1021 of April 1, 2020, it has set, for the only time, a new table of due dates for the filing of income tax returns, between April 15 and 30, 2020, according to the ninth digit of the taxpayer. Non-profit entities and state institutions will comply with this obligation in the month of May 2020, according to the ninth digit of the RUC.</p> <p>Executive Decree 1021 enacted last March 27th, 2020 allows taxpayers belonging to the most affected sectors (as listed below) to defer their tax payments for 2019 Income Tax will be payable in quotas as of April 2020, in the following six (6) months. The following taxpayers may benefit from this facility:</p> <p>The economic sector that can apply for this deferral are:</p> <ol style="list-style-type: none"> Micro-enterprises that obtained revenues of up to USD 300,000.00 in fiscal year 2019. Registered taxpayers with main tax domicile in Galapagos. Taxpayers whose economic activities correspond to the operation of airlines. Taxpayers whose economic activities correspond to tourisms and/or food supply. Taxpayers whose economic activities correspond to the agricultural sector. Regular exporters of goods and those taxpayers whose 50% of their income derives from the exportation of goods. 	Executive Decree No. 1021 of March 27
Indirect tax incentives / measures	<p>Value Added Tax:</p> <p>Executive Decree 1021 enacted last March 27th, 2020 allows taxpayers belonging to the most affected sectors (as listed below) to defer their tax payments for 2019 Value Added Tax (VAT) payable on the months of April, May and June 2020. Said taxes will be payable in quotas as of April 2020, in the following six (6) months. The following taxpayers may benefit from this facility:</p> <p>The economic sector that can apply for this deferral are:</p> <ol style="list-style-type: none"> Micro-enterprises that obtained revenues of up to USD 300,000.00 in fiscal year 2019. Registered taxpayers with main tax domicile in Galapagos. Taxpayers whose economic activities correspond to the operation of airlines. Taxpayers whose economic activities correspond to tourisms and/or food supply. Taxpayers whose economic activities correspond to the agricultural sector. Regular exporters of goods and those taxpayers whose 50% of their income derives from the exportation of goods. 	Executive Decree No. 1021 of March 27

²⁰ With the contribution of Bustamante & Bustamante

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation						
	Micro-enterprises will submit their VAT returns every six months. Other taxable persons not listed above must file their tax returns and make payments within the dates set for that purpose.							
Suspension / extension of tax filings' terms	Suspension of Income Tax and Value Added Tax filings are specified in questions b and c.							
Suspension / extension of tax payments' terms	Extension of Income Tax and Value Added Tax payment are specified in questions b and c.							
Suspension / extension of tax controversies' terms	Yes, the Internal Revenue Service by Resolution 0024 of March 31, 2020 resolved to extend the suspension of the deadlines and terms of all tax administrative processes and the periods of prescription of collection actions that were maintained until March 31; the new suspension being applicable from April 1 to April 5, 2020, inclusive, thus avoiding the prescription of processes and the defenselessness of the taxpayer and the administration itself.	Internal Revenue Services Resolution No. 0024 of March 31						
Others measures	<p>1. Through Executive Decree 1021 issued on March 27, 2020, a new self-withholding was created which shall be levied as of April 1st, 2020 on monthly basis, on the total amount of taxable income received by those taxpayers, specified in the chart below. The withheld amount will constitute a tax credit to be offset against their income tax or refundable.</p> <table border="1" data-bbox="1205 762 2264 1115"> <thead> <tr> <th data-bbox="1205 762 1831 793">TAXPAYERS</th> <th data-bbox="1834 762 2264 793">WITHHOLDING RATE</th> </tr> </thead> <tbody> <tr> <td data-bbox="1205 795 1831 890">- Financial institutions under surveillance of the Superintendence of Banks; and - Mobile phone private carriers.</td> <td data-bbox="1834 795 2264 890">1,75%</td> </tr> <tr> <td data-bbox="1205 892 1831 1115">- Companies that have signed contracts with the Ecuadorian state for the exploration and exploitation of hydrocarbons under any contractual modality or contracts for specific works and services as stipulated in the Hydrocarbons Law, and crude oil transportation companies.</td> <td data-bbox="1834 892 2264 1115">1,5%</td> </tr> </tbody> </table> <p>2. The Internal Revenue Service, by means of Resolution No.SRI-SRI-2020-0002-R, postponed the deadline for filing tax annexes corresponding to the months of March and April 2020. The new dateline to file the tax annexes shall be the dates fixed within the month of August 2020, in accordance with the ninth digit of the tax identification number (RUC). This extension applies to the following annexes that contain information to be reported by taxpayers:</p> <ul data-bbox="943 1308 2392 1570" style="list-style-type: none"> • Annex for Reporting Financial and Economic Operations and Transactions (ROTEF); • Annex for Reporting Information of Taxable Operations and Related to the Redeemable Tax on Non-Returnable Plastic Bottles (IBP); • ICE Annex. • International Currency Movement Annex (MID); • Annex of Notaries, Property Registrars and Business Registrars. • Annex of Shareholders, Participants, Partners, Members of the Board of Directors and Administrators (APS) • Annex of Mercantile Trusts, Investment Funds and Complementary Funds (AFIC). 	TAXPAYERS	WITHHOLDING RATE	- Financial institutions under surveillance of the Superintendence of Banks; and - Mobile phone private carriers.	1,75%	- Companies that have signed contracts with the Ecuadorian state for the exploration and exploitation of hydrocarbons under any contractual modality or contracts for specific works and services as stipulated in the Hydrocarbons Law, and crude oil transportation companies.	1,5%	Executive Decree No. 1021 of 27 March 2020. Resolution No.SRI-SRI-2020-0002-R. Internal Revenue Service.
TAXPAYERS	WITHHOLDING RATE							
- Financial institutions under surveillance of the Superintendence of Banks; and - Mobile phone private carriers.	1,75%							
- Companies that have signed contracts with the Ecuadorian state for the exploration and exploitation of hydrocarbons under any contractual modality or contracts for specific works and services as stipulated in the Hydrocarbons Law, and crude oil transportation companies.	1,5%							
Individual taxation incentives / measures	No resolutions have been issued concerning individual tax incentives with respect to tributary duties during the health emergency of COVID - 19.							
International tax law								

2.15. EL SALVADOR²¹



Number of Covid-19 cases:	1.983
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	Importation tariffs and VAT exemptions made by entities authorized to operate in Free Trade Zone, for donations made to the public sector in order to attend the emergency, have been granted.	Legislative Decree # 603 – March 20 th , 2020
Direct tax credits / incentives		
Indirect tax incentives / measures	Suspension of the special contribution for tourism (5%) for 3 months was granted.	Legislative Decree # 598 – March 20 th , 2020
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	The delay of payment date of the Income Tax from the period of 2019 up to 30 days without any interest or penalty for individuals or companies in the tourism sector, was granted, provided that the tax to be paid is up to \$25,000.00. Also delay of payment date of the Income Tax, from the period of 2019 up to 30 days without any interest or penalty for individuals or corporations with payments of up to \$5,000.00. In addition, these individuals and entities will have the right to pay the Income Tax in eight quotas, without any surcharges, or interests. An extension for the payment date for the withholding Income Tax for the months of March, April and May, granting six interest-free instalments for these withholding taxes to be paid.	Legislative Decree # 598 – March 20 th , 2020
Suspension / extension of tax controversies' terms	Yes, all administrative and judicial cases and controversies' terms have been suspended	Legislative Decree # 599 – March 20 th , 2020
Others measures	The following additional measures have been granted: - Exemption of Importation tariffs and VAT for essential goods, such as grains, beans, etc. - A Law to Facilitate Online Shopping with an exemption of Importation tariffs and VAT for personal goods has been enacted, in which an individual may import, for their own consumption or use, goods from anywhere in the world, using courier services, to a limit of US\$200. This will not include prescription drugs, medical supplies for human or veterinarian use, chemical precursors and law forbidden goods and/or merchandise.	Legislative Decrees #604 and # 605 – March 20 th , 2020
Individual taxation incentives / measures	No additional taxation incentives or measures have been granted, but there are some economic measures that have been issued: • Suspension of the payment of electric energy bills for 3 months. These payments will be diluted in 2 years without generating arrears, interest and without affecting the individual or entity's credit score. • Suspension of the payment of any water bills for 3 months. These payments will be diluted in 2 years without generating arrears, interest and without affecting the individual or entity's credit score. • Suspension of the payment of telephone, cable and internet bills for 3 months. These payments will be diluted in 2 years without generating arrears, interest and without affecting the individual or entity's credit score. • Suspension of any process to disconnect water services due to lack of payment of the bills, during the term of the emergency. • Suspension of any payments associated with mortgages, personal loans, credit cards, working capital and entrepreneurship loans for 3 months without generating arrears, interest and without affecting the individual or entity's credit score. • A bonus of USD\$150 will be given to people from government institutions working through this crisis	Legislative Decree # 601 – March 20 th , 2020

²¹ With the contribution of Consortium Legal.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>In addition, the government has started to grant a US\$300 support-bonus to affected families whose income was lost due to the general quarantine. According to the government, an approximate of 1.5 million families will receive this benefit in the following 15 days.</p>	
<p>International tax law</p>		

2.16. FRANCE



Number of Covid-19 cases:	146.000
Existence of tax subsidies / measures:	Yes
Date of last update:	26/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations Direct tax credits / incentives	<p>Exceptional direct tax refunds may be granted on a case-by-case basis.</p> <p>Refund of refundable tax credits may be accelerated.</p> <p>The payment of receivables on public entities (French Treasury, or local authorities) should be accelerated.</p> <p>Deductibility from the landlord's taxable income of rent waivers and exemption in the hands of the tenant of such rent waivers.</p> <p>Exemption of the subsidies granted by the Solidarity Fund.</p>	<p>Portal of the Ministry for the Economy and Finance, as updated on 15 May 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 19 May 2020.</p> <p>Amending Finance Act for 2020 n° 2020-473 of 25 April 2020</p>
Indirect tax incentives / measures	<p>No regularization of input VAT on medical supplies gifted to healthcare and social institutions, health professionals, state and local government agencies, during the state of emergency.</p> <p>Reduced VAT rate (5.5%) on respiratory masks, protective equipment, and hydroalcoholic gel.</p> <p>Exemption of import VAT and import duties on goods imported by or on behalf of public bodies and charities and intended to be distributed free of charge to the persons affected by or at risk from COVID-19.</p>	<p>BOI-RES-000068-20200407</p> <p>Amending Finance Act for 2020 n° 2020-473 of 25 April 2020</p> <p>Portal of the General Directorate for Customs and Indirect Taxation</p>
Suspension / extension of tax filings' terms	<p>The filing of 2019 CIT returns is postponed to June 30, 2020 for FY ending between December 31, 2019 and February 29, 2020, and to July 31, 2020 for FY ending in March, 2020.</p> <p>The filing of 2019 PIT returns that includes business, self-employment, agricultural and property income is postponed to June 30, 2020.</p> <p>The deadline for notification of options for the tax consolidation regime (for company ending their FY on December 31) is postponed to June 30, 2020.</p>	<p>Portal of the Directorate General of Public Finances, as updated on 19 May 2020.</p>
Suspension / extension of tax payments' terms	<p>All upcoming payment of direct taxes (CIT, payroll tax, etc.) due in March, April and May can be deferred for three months without prior justification or authorization for companies undergoing significant economic difficulties; tax payments for the month of March, if already made, can be refunded; penalties and late payment interest should not apply.</p> <p>Monthly payment plans of land and property taxes (including business property taxes) can be deferred; penalties and late payment interest should not apply.</p> <p>For large companies (€1.5 billion in revenue and 5,000 employees in France, assessed on a consolidated basis with 95%-owned entities), the benefit of deferred tax payments is subject to a commitment by the company (or the group, if applicable) not to distribute dividends or buy back shares as of 27 March 2020. However, intra-group distributions to a French company should be allowed.</p> <p>Regarding the VAT due in April and May (for the months of March and April), companies subject to VAT and suffering a decline in their activity can pay an instalment equal to 80% of the VAT of the previous month, or 50% if the company's activity has decreased by at least 50% from mid-March onwards, with the remaining VAT due to be paid at a later date.</p>	<p>Portal of the Ministry for the Economy and Finance, as updated on 15 May 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 19 May 2020.</p> <p>French Tax Code, art. 1727 and 1731; BOI-REC-PREA-20-10 et s.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>For other tax payments, the French tax authorities will facilitate instalment plans or deadline extensions. Instalment plans and payment deadline extensions do not preclude the application of late payment interest at 0.2% per month or the 5% penalty for the late payment of corporate tax, VAT or business taxes. However, the French tax authorities usually waive late payment penalties (but not late payment interest) if the company complies with the instalment plan.</p>	
<p>Suspension / extension of tax controversies' terms</p>	<p>Limitation periods and any applicable deadlines for tax audits are suspended with effect from 12 March 2020 and until August 23, 2020.</p> <p>All deadlines applicable to legal proceedings in courts ending between March 12, 2020 and June 23, 2020 will be renewed as of the end of that period, without exceeding two months.</p>	<p>Ordinance n° 2020-306 of 25 March 2020. Ordinance n° 2020-560 of 13 2020.</p>
<p>Others measures</p>	<p>Payment of social security contributions (employer and employee contributions, and supplementary pension contributions Agirc-Arrco) due in March, April and May can be deferred for three months without justification or prior authorization; penalties should not apply.</p> <p>For large companies (€1.5 billion in revenue and 5,000 employees in France, assessed on a consolidated basis with 95%-owned entities), the benefit of deferred social security contributions payments is subject to a commitment by the company (or the group, if applicable) not to distribute dividends or buy back shares as of 27 March 2020. However, intra-group distributions to a French company should be allowed.</p> <p>For subsequent payments of social security contributions, the French social security authorities should facilitate instalment plans or deadline extensions. Instalment plans and payment deadline extensions should not preclude the application of the 5% penalty for the late payment of social security contributions or the application of supplemental penalties of 0.2% per month. However, the French social security authorities usually waive late payment penalties under certain circumstances, especially if companies demonstrate exceptional and unforeseeable temporary difficulties</p> <p>The French Central Bank and Bpifrance (a French State-controlled investment bank) will facilitate the negotiation of instalment plans with credit facility providers and provide financial support to companies facing cash shortages. French banks have also committed to defer for six months the payment of company debt instalments without penalties.</p> <p>The French Government will guarantee short-term liquidity loans granted by banks between 16 March 2020 and 31 December 2020 to companies facing cash shortages.</p> <p>The French Government has officially stated that the epidemic will be considered as a force majeure case for purposes of government contracts.</p> <p>Prevention of layoffs through short-time working measures.</p> <p>The French mutual aid fund will grant financial support to small businesses.</p> <p>Companies facing cash shortages may request a deferral of the payment of their utility bills from their utility provider.</p>	<p>Portal of the Ministry for the Economy and Finance, as updated on 15 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 19May 2020.</p> <p>French Social Security Code, art. R. 243-16, R. 243-20 and R. 243-21</p> <p>Ordinance n° 2020-312 of 25 March 2020</p>
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>	<p>Temporary stay of a non-resident individual due to the lockdown in France or to a travel ban decided by the country of residence, will not give rise to tax residence in France under French domestic law.</p>	<p>Portal of the Directorate General of Public Finances, as updated on 19 May 2020.</p>

2.17. GERMANY



Number of Covid-19 cases:	179.002
Existence of tax subsidies / measures:	Yes
Date of last update:	28/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<ul style="list-style-type: none"> Non-profit organisations benefitting from a charitable tax exemption (which is granted subject to a purpose specifically determined in the grant documentation), may support COVID-19 aid activities (directly or by way of raising or donating funds to other charitable organizations) without losing the beneficial tax treatment even if this does not fall within the scope of their stated purpose; Certain support provided by businesses may be treated as a tax deductible expense: <ul style="list-style-type: none"> Payments made by way of sponsoring may be accepted as an expense provided that the business generates a benefit for itself (which may be reputational); Reasonable support (cash or in kind) to a business partner directly and materially affected by the COVID-19 crisis are fully tax deductible (disregarding the rule of non-deductibility set out in sec. 4 para. 5 no. 1 German Income Tax Act); Subsidies in kind (but not cash donations) to businesses or organisations dealing with the COVID-19 crisis (e.g. hospitals) are fully tax deductible (disregarding the rule of non-deductibility set out in sec. 4 para. 5 no. 1 German Income Tax Act). The recipient of such support from businesses has corresponding taxable income. A salary waiver by an employee in support of the employer during the crisis may be directly deducted from the taxable income of the employee. 	Decree of the Federal Ministry of Finance dated 9 April 2020
Direct tax credits / incentives	<p>Pursuant to German income tax law, taxpayers are generally obliged to make quarterly tax prepayments (<i>Steuervorauszahlungen</i>) for the current tax year based on the tax base of the previous tax year. A reduction of tax prepayments is generally only obtained if the tax payer is able to show to the satisfaction of the tax authority that and to which extent the income for the relevant year has to be expected to be lower than the basis for the prepayments assessed..</p> <p>Based on the decrees by the tax authorities dated 19 March 2020, it is sufficient to apply for a reduction of the tax prepayments for (corporate) income tax and trade tax purposes with a substantiation of a direct impact of COVID-19 on the business; no detailed calculation is required. The reduction of the assessed tax prepayments can result in a refund of already paid tax prepayments (the due date for first quarter was 10 March 2020).</p> <p>Part of the prepayments for income or corporate income tax for the year 2019 (if not yet assessed) can generally be reclaimed, but this requires a detailed description of a drop in the business. Pursuant to the decree of the Federal Ministry of Finance dated 24 April 2020, the tax authority allows a special lump sum loss carry back (<i>Verlustrücktrag</i>). The special lump sum loss carry back is only applicable for tax payers with business and rental income affected by COVID-19 (e.g. estimated income and prepayments for 2020 have been reduced to zero) and requires an application. The lump sum loss carry back amounts to 15% of the assumed income for 2019 and is limited to EUR 1,000,000.00 (EUR 2,000,000.00 in case of a joint income tax assessment).</p> <p>As this special lump loss carry back is only applicable to prepayments, it cannot be taken into account in the course of the tax assessment for 2019. However, upon application an amount equal to the tax reduction resulting from the special lump sum loss carry back will be deferred without triggering deferral interest if the tax payer can show that at the time of the tax assessment the income of the business is still affected by COVID-19.</p>	<p>No change of law required, principles have been issued in decrees of the German tax authorities dated 19 March 2020 and "Corona FAQ" of the German tax authority dated 1 April 2020</p> <p>Decree of the Federal Ministry of Finance dated 24 April 2020</p>
Indirect tax incentives / measures	Pursuant to German VAT law, entrepreneurs can apply for a general one-month filing extension for the monthly/quarterly advance VAT returns (<i>Umsatzsteuervoranmeldungen</i>), subject to a payment of 1/11 of the VAT amount of the previous year as special VAT prepayment.	Statements of the Ministries of Finance of the federal states and

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Based on statements of the Ministries of Finance of the German federal states, it is now possible to apply for a repayment of the 1/11 prepayment for 2020 with the filing extension remaining in place.</p> <p>The legislator intends to reduce the VAT rate for food and drinks in restaurants from 19% to 7% (effective from 1 July 2020 until 30 June 2021).</p>	<p>"Corona FAQ" of the German tax authority dated 1 April 2020</p>
<p>Suspension / extension of tax filings' terms</p>	<p>In general, the tax authority does not offer special filing suspension/extension for tax returns based on COVID-19, but statements have been made that a filing extension may be granted on a case-by-case basis in case filing deadlines are missed due to COVID-19 effects. In addition, most of the federal states (except for Bremen, Hamburg, Baden-Wuerttemberg) have announced an additional 3-month filing extensions for annual tax returns filed by a tax advisors, if the tax advisor can demonstrate that the reason for the non-filing in due course is linked to COVID-19.</p> <p>Employers who are obliged to file advance wage tax returns on a monthly or quarterly basis can apply for a filing extension of up to 2 months, provided they can demonstrate that they are hindered from filing the advance tax returns in a timely manner due to COVID-19. In addition, the federal states North Rhine-Westphalia and Bavaria have announced to grant a two-month filing extension for the advance wage tax return (<i>Lohnsteuervoranmeldung</i>) for March 2020 upon application (this is generally due on 10 April 2020). As the wage tax is generally due at the filing date this leads indirectly to a two-month deferral of the wage tax payment March 2020.</p>	<p>Decree of the Federal Ministry of Finance dated 9 April 2020; Announcement of the Ministry of Finance of North Rhine Westphalia and Bavaria dated 2 April 2020</p>
<p>Suspension / extension of tax payments' terms</p>	<p>The local tax authorities have been instructed to grant (potentially interest free) deferrals of due tax payments upon application, provided that the business of the taxpayer has been affected by COVID-19. The deferrals will generally be granted for a three month period, and may be extended in increments until 31 December 2020. The deferral may be granted for all types of taxation except for wage tax and withholding tax. A deferral of tax payments beyond 31 December 2020 requires a more detailed and substantiated application. Applications for a deferral of (corporate) income tax have to be addressed to the local tax office; trade tax payment deferrals have to be applied for with the municipality.</p> <p>Late payment charges shall be waived, and enforcement measures postponed, for due and overdue tax payments towards taxpayers directly and materially affected by COVID-19, each until 31 December 2020.</p>	<p>No change of law intended, implementation by decrees of the Ministry of Finance dated 19 March 2020 and "Corona FAQ" of the German tax authority dated 1 April 2020</p>
<p>Suspension / extension of tax controversies' terms</p>		
<p>Others measures</p>		
<p>Individual taxation incentives / measures</p>	<p>The German tax authority has announced that employers may grant to their employees subsidies and assistance (in cash and in kind) up to an amount of EUR 1,500.00 free of wage tax and social security contributions, provided that this an extraordinary payment made between 1 March 2020 and 31 December 2020 and paid in addition to the already owed salary under the employment contract.</p>	<p>Announcement of the Ministry of Finance dated 3 April 2020 and decree of the Federal Ministry of Finance dated 9 April 2020</p>
<p>International tax law</p>	<p>Germany has concluded agreements with Belgium (6 May) and the Netherlands (10 April) to mitigate the tax consequences of the COVID-19 measures on cross-border workers.</p>	

2.18. GREECE²²



Number of Covid-19 cases:	2.882
Existence of tax subsidies / measures:	Yes
Date of last update:	05/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<ol style="list-style-type: none"> 1) A special account has been created with the Bank of Greece for donation of amounts for the purpose of supporting the measures related to Covid-19. 2) Donations of equipment, protective material and drugs is exempt from VAT 	
Direct tax credits / incentives	State debts towards individuals and businesses become immediately payable for amounts up to 30.000 Euros.	
Indirect tax incentives / measures	Reduction of VAT from 24% to 6% on all items necessary for the protection from Covid 19, e.g. masks, disinfecting gels, etc.	
Suspension / extension of tax filings' terms	A number of tax filing deadlines have been extended. E.g.: Capital concentration tax and stamp duty filings due in March and April are extended for two months, filings for inheritance, donation, gambling tax returns are extended till May 29, 2020, residence tax returns due on April 30, 2020 are extended till 30/6/2020, etc.	
Suspension / extension of tax payments' terms	Suspension of payment of audited debts till 31/8/2020, including those arising from VAT, which are due to be paid in the period by April 30 2020 for all businesses falling under the defined as affected categories ²³ , provided that no employment agreements are terminated. A reduction by 25% applies to timely payment of instalments of settled debts.	
Suspension / extension of tax controversies' terms		
Others measures	<p>Set off against tax obligations/Reduction of 25% In case VAT due for April is timely paid in total (i.e. with no reduction of 25%) by April 30, an amount equal to 25% can be set off against other tax obligations becoming due as of May. In case tax debts payable from March 30 to April 30, 2020 are paid in full during the period from March 11 to March 29, an amount equal to 25% of such debts will be set off against other tax debts becoming due as of June 1st.</p> <p>Suspension of Social Security Contributions Suspension for three months of social security contributions for the month of February for all businesses falling under the defined as affected categories, provided that no employment agreements are terminated. Social security obligations due in March can be paid till 30/09/2020 and those due in April can be paid till 30/10/2020. Payment of instalments of settled debts is extended till 30/06/2020.</p> <p>Other tax measures Capital tax returns are filed and processed with no audit. Audit will take place at a later stage.</p> <p>Measures regarding employment</p> <ol style="list-style-type: none"> 3) Any dismissals in businesses under lockdown as of 18/3 are null and void. The obligation to retain job positions is extended for an additional period of 45 days as of when the extension of the suspension mentioned below under 2 expires. 4) Employers may suspend employment agreements for one month. This measure has been extended as follows: Employers may suspend up to 60% of the already suspended employment agreements for a period not exceeding 30 days and by no later than May 31st. 	

²² With the contribution of Avramopoulos & Partners

²³ These categories refer to various business sectors, such as tourism and food industry, entertainment, etc. They cover approximately 440.000 businesses, with ca. 1m employees and monthly turnover of approximately 6,5bn Euros.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>5) All employees employed in businesses under lockdown or with temporarily suspended employment agreements as per point 2 herein above, are entitled to an amount of Euros 800 for the period from 15/3 to 30/4. A proportionate financial support will be granted to the employees, for whom the suspension of their employment agreements has been extended as above under 2. The categories of people entitled to receive the said allowance has been significantly extended.</p> <p>6) Freelancers falling under the affected categories are also entitled to the above amount of Euros 800.</p> <p>Measures regarding loans</p> <p>1) Business loans</p> <ul style="list-style-type: none"> • Subsidy of interest rate for the affected businesses. • Extension of payments till 30/09/2020 under the condition that the loan was properly performed till 31.12.2019. • For personal businesses, suspension of payments for three months. <p>2) Other loans Suspension of payments for three months.</p> <p>Other measures</p> <p>1) Reduction of rental fees by 40% for businesses under lock down for March and April. This measure has been extended for May as well.</p> <p>2) Reduction of rental fees by 40% for employees working in businesses under lock down for March and April. This measure has been extended for May as well.</p> <p>3) Landlords affected by the above (under 1 & 2) reductions enjoy a suspension of tax obligations due by March 31 till August 31, A reduction of 25% applies in case of timely payment.</p> <p>4) State financing facilities in the form of refundable deposits are available under circumstances for the affected businesses. It has been clarified that a) this measure refers to small and medium sized businesses with 1 to 500 employees, b) the facility term is for 5 years, with a grace period of one year and a rather low refund interest rate for the following years, c) the maximum amount of financing per affected business cannot exceed Euros 500.000, whereas the entities to be chosen and the exact amount to be granted is dependent on a number of evaluation parameters, d) the facility amount is tax free and non seizable, e) the facility is subject to maintaining the current headcount</p> <p>5) Due dates of checks, drafts, etc falling in the period from March 27 till May 31, 2020 are extended for 75 days.</p> <p>6) Easter bonus can be paid to employees of the affected businesses till June 30, 2020.</p> <p>7) Tax obligations of people over 70 years old or disabled by more than 80% due on March 31 are extended till April 10, 2020.</p> <p>8) The operation of the UBO (Ultimate Beneficial Owners) Registry is suspended for three months as of March 30, 2020.</p> <p>9) The protection of primary residences against foreclosure measures is extended till July 31st, 2020.</p> <p>10) A series of measures has been adopted with regards to the tourism sector, including transportation. For instance, hoteliers may offer customers' vouchers for a period of 18 months in lieu of refund of the downpayment received upon bookings cancelled due to Covid-19.</p> <p>11) The aforementioned tax benefits apply in a more extended version in many cases particularly as regards businesses providing hospital services,</p>	
Individual taxation incentives / measures		
International tax law		

2.19. GUATEMALA²⁴



Number of Covid-19 cases:	3.424
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>Guatemalan Congress approved the “Emergency law to protect Guatemalans against the effects caused by the Coronavirus Pandemic Covid -19” (Decreto 12-2020)</p> <p>The law exempts import tariffs and VAT of all donations made in favour of the National Coordination for Reduction of Disasters (Coordinadora Nacional para la Reducción de Desastres CONRED), churches, authorized charitable organizations and associations, while the State of National Emergency is in place. The goods imported using these exemptions can only be used for non-lucrative purposes.</p> <p>The taxpayer must request the exemption from the tax administration and the tax administration is obliged to review in 3 days.</p>	Decreto 12-2020.
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings’ terms	<p>The Tax Administration declared non-working days from March 24th to April 14th, thus extending filing deadlines for obligations related to VAT and Income Tax (corporate and individual), from March 31st to April 15th. In some cases, where the obligation to file certain withholding returns where 10 working days of the following month, the term is extended until April 28th, such as non-resident withholding obligations.</p> <p>Decreto 12-2020 referred above also extended the term for the Solidarity Tax (Impuesto de Solidaridad). The filing for this tax was due April 30th and was extended for three months, without any interest or penalties. However, the taxpayer that chooses this deferral cannot fire any worker until the tax is paid.</p>	<p>The extension of the terms was regulated in a Tax Administration Ruling (Resolución SAT-DSI-280-2020).</p> <p>Decreto 12-2020</p>
Suspension / extension of tax payments’ terms	<p>The Tax Administration declared non-working days from March 24th to April 14th, thus extending payment deadlines for obligations related to VAT and Income Tax (corporate and individual), from March 31st to April 15th. In some cases, where the obligation to pay certain withholding tax, where 10 working days of the following month, the term is extended until April 28th, such as non-resident withholding obligations.</p> <p>Social Security Contributions and two other mandatory employer payments (National Training Centre and Recreational Organization), were extended for three months and the taxpayer can choose to pay in up to 18 monthly instalments.</p> <p>Decreto 12-2020 as referred to above also extended the term for the Solidarity Tax (Impuesto de Solidaridad). The filing for this tax was due April 30th and was extended for three months, without any interest or penalties. However, the taxpayer that chooses this deferral cannot fire any worker until the tax is paid.</p>	<p>The extension of the terms was regulated in a Tax Administration Ruling (Resolución SAT-DSI-280-2020).</p> <p>Decreto 12-2020.</p>
Suspension / extension of tax controversies’ terms	<p>The Tax Administration declared as non-working days from March 24th to April 14th, thus extending all terms for administrative tax controversies by this number of days declared as non-working.</p>	The extension of the terms was regulated in a Tax Administration

²⁴ With the contribution of Consortium Legal.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Decreto 12-2020 establishes a suspension of all administrative terms for any kind of procedures for 3 months. This does not apply to tax controversies that are already in the judicial phase.</p> <p>The term extension regarding judicial tax controversies has not been extended.</p>	<p>Ruling (Resolución SAT-DSI-280-2020).</p> <p>Decreto 12-2020</p>
Others measures		
Individual taxation incentives / measures		
International tax law		

2.20. HONG KONG²⁵



Number of Covid-19 cases:	1.066
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures	<ul style="list-style-type: none"> The Financial Secretary presented Hong Kong's annual budget on 26 February 2020, which includes tax stimulus measures to help businesses deal with the coronavirus impact on the economy. He proposed a one-off reduction of profits tax, salaries tax and tax under personal assessment for the year of assessment 2019/20 by 100%, subject to a ceiling of \$20,000 per case. This measure will be effected by amending the Inland Revenue Ordinance. For profits tax, the ceiling of the tax reduction is applied to each business. For salaries tax, the ceiling is applied to each individual taxpayer; but for married couples jointly assessed, the ceiling is applied to each married couple (i.e. capped at \$20,000 in total). For personal assessment, the ceiling is applied to each single taxpayer or married person who elects for personal assessment separately from his/her spouse. If a taxpayer elects for personal assessment jointly with his/her spouse, the tax reduction is capped at \$20,000 for the married couple. The proposed tax reduction is not applicable to property tax. Individuals with rental income, if eligible for personal assessment, may be able to enjoy such reduction under personal assessment. The Financial Secretary proposed to waive business registration fees for the year 2020-21. Waive stamp duty on stock transfers paid by the Exchange Traded Fund (ETF) market makers when creating and redeeming ETF units in Hong Kong. Establish a limited partnership regime and provide tax concessions for carried interest issued by private equity funds to attract fund managers to domicile and operate in Hong Kong (currently, the IRD considers carried interest as income for services rendered). Continue to offer enhanced tax deduction for qualifying research & development (R&D) expenditure (a 300% tax deduction for the first \$2 million qualifying R&D expenditure and a 200% deduction for the remainder). Amend the relevant legislation to provide tax concessions for the ship leasing business, including offering a profits tax exemption to qualifying ship lessors and a half-rate profits tax concession to qualifying ship leasing manager. Amend the relevant legislation to reduce profits tax rate by half for eligible insurance businesses including marine insurance. <p>Explore other tax measures to attract more global shipping business operators and commercial principals to set up business in Hong Kong</p>	
Individual taxation incentives / measures		
International tax law		

²⁵ With the contribution of Mayer Brown

2.21. HONDURAS²⁶



Number of Covid-19 cases:	3.950
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	None	
Direct tax credits / incentives	<ul style="list-style-type: none"> a) The Small and Medium Tax contributors who make a Declaration and payment of the Income Tax, Solidarity Contribution and Net asset Tax as of April 30, 2020 may enjoy a discount of 8.5%, of the tax to be paid. b) For the Taxpayers who during the rest of the year (March to December 2020) keep their employee returns respecting the payment of wages, rights and others, they will be recognized for the payment of the return for the months that the state of emergency, an additional 10% as a deductible expense for the fiscal period of 2020. This benefit will be lost to the extent that the employer cancels or suspends jobs. 	“Measures for the maintenance of jobs in the Emergency Framework due to the epidemic of COVID-19” announced by the President of Honduras on March 30 th , 2020, pending National Congress (Legislative Branch approval)
Indirect tax incentives / measures	None	
Suspension / extension of tax filings’ terms	<ul style="list-style-type: none"> a) Postpone until July 31, 2020 the presentation of the Annual Informative Transfer Pricing Tax Return b) In the cases of taxpayers who do not operate within the months decreed as a state of emergency, they are granted an extension of the deadlines for submission and payment of the Sales Tax return 	“Measures for the maintenance of jobs in the Emergency Framework due to the epidemic of COVID-19” announced by the President of Honduras on March 30 th , 2020, pending National Congress (Legislative Branch approval)
Suspension / extension of tax payments’ terms	<ul style="list-style-type: none"> a) Postpone until June 30, 2020 the obligations of declaration and payment, (without fines and interest) of the Income Tax, Solidarity Contribution and Net asset Tax for the small and medium size contributors. In the case of horizontal property rentals, these are excepted from the previous extension, having to pay the corresponding on April 30, 2020. b) The 3 instalments of Payments on Account corresponding to the fiscal year 2020, must be calculated on 75% of the tax amount of the fiscal period 2019 (Not on 100%) and their payment dates are postponed as follows: <ul style="list-style-type: none"> 1. First instalment, until August 30, 2020 2. Second instalment, until October 30, 2020 3. Third instalment, until December 31, 2020 	“Measures for the maintenance of jobs in the Emergency Framework due to the epidemic of COVID-19” announced by the President of Honduras on March 30 th , 2020, pending National Congress (Legislative Branch approval)
Suspension / extension of tax controversies’ terms	Yes, all administrative and judicial cases and controversies’ terms have been suspended) Declaration as non-working days and calendar months for the period in which the COVID-19 Crisis takes place	“Measures for the maintenance of jobs in the Emergency Framework due to the epidemic of COVID-19” announced by the President of Honduras on March 30 th , 2020, pending National Congress (Legislative Branch approval)
Others measures	f) Authorize for the period of state of emergency the Printing Authorization Key (CAI), to all taxpayers who have it blocked or suspended to generate tax documents.	“Measures for the maintenance of jobs in the Emergency Framework

²⁶ With the contribution of Consortium Legal.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	g) Allow the use of tax documents whose issuance deadline expires during the period of the state of emergency.	due to the epidemic of COVID-19 announced by the President of Honduras on March 30 th , 2020, pending National Congress (Legislative Branch approval)
Individual taxation incentives / measures		
International tax law		

2.22. HUNGARY²⁷

	Number of Covid-19 cases:	3.771
	Existence of tax subsidies / measures:	Yes
	Date of last update:	4/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<p>Sector-specific tax / contribution relief for March to June 2020:</p> <ul style="list-style-type: none"> ↪ no payment obligation on social contribution (17,5%); ↪ no training contribution (1.5 %); ↪ limited wage withholding from salaries to increase net amount; ↪ deduction on rehabilitation contribution; ↪ special exemption for small business (KIVA, KATA); ↪ no payment obligation on contribution to tourism development. <p>For every sector of businesses:</p> <ul style="list-style-type: none"> ↪ no advance payment is required on rehabilitation contribution; ↪ social contribution tax will be decreased to 15.5% as from 1 July ↪ preferential rules for development reserves (accelerated depreciation for tax) in corporate income tax 	<p>47/2020 Government Decree 61/2020 Government Decree 140/2020 Government Decree 171/2020 Government Decree</p>
Indirect tax incentives / measures	<p>No specific VAT updates from the Government yet:</p> <ul style="list-style-type: none"> ↪ VAT return filing deadline is 20th of the month following the tax assessment period; ↪ VAT payment deadline is 20th of the month following the tax assessment period; ↪ late payment interest is due calculated by the national bank rate plus 5 percentage points per annum. 	-
Suspension / extension of tax filings' terms	<p>Deadline for year-end closing and disclosure, plus filing and payment of yearly taxes (e.g. corporate income tax, local business tax, energy tax, etc.) are postponed from 31 May to 30 September.</p>	140/2020 Government Decree
Suspension / extension of tax payments' terms	<p>In general, claims may be submitted to reduce ongoing tax liabilities and advance payment obligations.</p> <p>Corporate taxpayers may request a one-time tax reduction:</p> <ul style="list-style-type: none"> ↪ within 30 days following the end of the state of emergency; ↪ if the payment would otherwise have negative impact on the taxpayer's business resulting from the Corona-crisis; ↪ limited to one tax type, with a cap of 20% or HUF 5 million (approx. EUR 14,000), whichever is lower; ↪ the remaining 80% of the tax must be settled without claiming any further tax breaks. <p>Automatic payment facilities; automatic tax relief available:</p> <ul style="list-style-type: none"> ↪ any taxpayer for a 12-month instalment payment or a six-month interest-free payment deferral ↪ for any tax type with a maximum amount of HUF 5 million; ↪ the payment facility may be, in exceptional circumstances, also claimed for contributions and the personal income tax as withheld from the salary payable to the employees; ↪ suspension of Tax Debt - Instalment Payments for small businesses with KATA. <p>Guarantees paid to the Electronic Road Toll (EKAER) system shall be returned.</p>	<p>Act CL of 2017 on the Rules of Taxation 61/2020 Government Decree 140/2020 Government Decree</p>
Suspension / extension of tax controversies' terms	<p>Procedural measures:</p> <ul style="list-style-type: none"> ↪ legal certainty is guaranteed, state procedures are ensured, their possible obstruction is not detrimental to citizens and businesses; 	<p>57/2020 Government Decree 74/2020 Government Decree</p>

²⁷ With the contribution of Leitner Leitner

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> ↪ however, there are adjustment on payment orders; rules on public company information, company registration and winding-up proceedings; court proceedings and winding-up; rules on civil litigation and notarial non-litigation procedures; administrative litigation; etc. ↪ expiring date for several certificates have been extended; ↪ adjustment on activity of lawyers; ↪ fixed-term judicial appointments have been extended etc. 	
Others measures	<p>State support for short-time work:</p> <ul style="list-style-type: none"> ↪ working time reduction up to 75%, the 70% of the missing salary is to be paid by the state budget up to a base salary of double the Hungarian minimum wage; ↪ available for 3 months based on a joint claim of the employer and affected employees. <p>Support of employees in the R&D industry:</p> <ul style="list-style-type: none"> ↪ personalized wage compensation to employees performing R&D activities; ↪ monthly contribution may not exceed HUF 318,920 (EUR 911) /employee. <p>Surtaxes levied to finance the economic package with an effective date of 1 May 2020:</p> <ul style="list-style-type: none"> ↪ Retail surtax liability is determined based on the net turnover: <ul style="list-style-type: none"> ↪ HUF 0 (EUR 0) up to a turnover of HUF 500 million (EUR 1,4 million); ↪ 0.1% between a turnover of HUF 500 million (EUR 1,4 million) and HUF 30 billion (EUR 85,7 million); ↪ 0.4% between a turnover of HUF 30 billion (EUR 85,7 million) and HUF 100 billion (EUR 285,7 million); ↪ 2.5% over a turnover of HUF 100 billion (EUR 285,7 million); ↪ monthly advance payment liability (first due date 31 May, 2020); ↪ tax return on the advance payments of the whole year shall also be submitted until 31 May, 2020. <p>Surtax of financial institutions:</p> <ul style="list-style-type: none"> ↪ due in three equal instalments by 10 June, 10 September and 10 December, 2020; ↪ tax base equals to the already existing banking surtax for 2020 for the tax base exceeding HUF 50 billion (EUR 142,8 million); ↪ tax rate is 0.19%. 	<p>103/2020 Government Decree 105/2020 Government Decree 108/2020 Government Decree</p>
Individual taxation incentives / measures	<p>Advantageous loan programs and state aids for investments are available. State guarantee supports commercial loans.</p>	<p>61/2020 Government Decree</p>
International tax law		

2.23. IRELAND²⁸



Number of Covid-19 cases:	24.698
Existence of tax subsidies / measures:	Yes
Date of last update:	12/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<ol style="list-style-type: none"> Early payment of 2020 excess R&D tax credits: Where requested by a taxpayer, Revenue will expedite the payment of any instalment of excess R&D tax credit that is due to be paid in 2020, bringing forward payment in advance of the date provided by legislation. 	<ol style="list-style-type: none"> Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx
Indirect tax incentives / measures	<ol style="list-style-type: none"> Customs: critical pharmaceutical products and medicines will be given a Customs 'green routing' to facilitate uninterrupted importation and supply. Customs - Renewal of existing Customs Special Procedure Authorisations: Authorisations due for renewal in March and April have been extended to 31 May. Relief from the payment of import duties and VAT for goods imported to combat COVID-19: An EU Commission Decision (C (2020) 2146 of 3 April 2020) provides for the importation of goods to combat the effects of COVID-19 from outside the European Union without the payment of Customs Duty and VAT from 30 January 2020 to 31 July 2020. VRT registration and export appointments: Customers will not be charged additional VRT as a penalty at registration if they (i) had an appointment scheduled during the period when the NCT Centres are closed, or (ii) cannot get an appointment due to the closure and exceed the 30-day period. Temporary VAT zero rating of supplies of personal protective equipment, ventilators and other medical products: When supplied to the Irish health service, hospitals, nursing homes, and other healthcare facilities for use in the delivery of Covid-19 related health care services to their patients. This concessional tax treatment will apply from 9 April 2020 up to 31 July 2020, subject to review. 	<ol style="list-style-type: none"> Revenue press release: 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 Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx – 4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/vrt-and-excise.aspx Revenue guidance – https://www.revenue.ie/en/corporate/communications/covid19/customs.aspx
Suspension / extension of tax filings' terms	<ol style="list-style-type: none"> Share schemes filing obligations: The filing deadline for all 2019 share scheme returns is being extended from 31 March 2020 to 30 June 2020. Special Assignee Relief Programme (SARP): The 90 day employer filing obligation, which is a requirement for an employee to be eligible to benefit from SARP relief, is extended for a further 60 days. Real-time foreign tax credit (FTC) for Restricted Stock Unit cases: In respect of 2019 cases for whom real time FTC were provided through the payroll, the 31 March 2020 filing deadline will be suspended. 	<ol style="list-style-type: none"> – 3. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx Irish Funds website - https://www.irishfunds.ie/news-knowledge/news/revenue-update-form-iu3e-deadline-extension

²⁸ With the contribution of A&L Goodbody

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>4. Funds: The Irish Revenue has advised Irish Funds that they are extending the deadline for filing Form IU(3e) from 31 March 2020 to 30 June 2020, due to the impact of COVID-19.</p>	
<p>Suspension / extension of tax payments' terms</p>	<ol style="list-style-type: none"> 1. The application of interest has been suspended for late payments of VAT for January/February 2020 , March/April 2020 and May/June by SMEs* and for late payments of employment taxes for February 2020, March 2020, April 2020, May 2020 and June 2020 by SMEs. Larger businesses can request deferment. 2. The application of a surcharge for Corporation Tax returns for accounting periods ending June 2019 onwards (i.e. due by March 23 onwards) is suspended until further notice. 3. If a variable direct debit payment request fails, Revenue has suspended the process of issuing a further request for the payment until further notice. 4. The Irish Government has announced plans to legislate to provide that the Irish Revenue will warehouse deferred tax debts associated with the COVID-19 crisis for a period of 12 months after a business resumes trading, with the application of a lower interest rate of 3% per annum on the repayment of the warehoused tax debts after that date. <p><i>*A SME is a business with turnover of less than €3 million who is not dealt with by either Revenue's Large Cases Division or Medium Enterprises Division.</i></p>	<p>1 - 4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/filing-and-paying.aspx</p>
<p>Suspension / extension of tax controversies' terms</p>	<ol style="list-style-type: none"> 1. All debt enforcement activity is suspended until further notice. 2. The application of a surcharge for Corporation Tax returns for accounting periods ending June 2019 onwards (i.e. due by March 23 onwards) is suspended until further notice. 3. Generally, all audit and other compliance intervention activity on taxpayers' premises is suspended until further notice. 	<p>1 - 3. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p>
<p>Others measures</p>	<ol style="list-style-type: none"> 1. Businesses other than SMEs can contact the Irish Revenue directly to discuss temporary cash flow or trading difficulties. 2. Tax clearance will remain in place for all businesses without needing to reapply to Revenue. 3. The Relevant Contracts Tax rate review scheduled to take place in March 2020 has been suspended. 4. Relief from Excise Duty (Alcohol Products Tax) for the manufacture of hand sanitiser products. 5. No employment tax (payments generally treated as benefits in kind (BIKs)) received by employees where: <ol style="list-style-type: none"> a. Employers provide equipment such as laptops, printers, scanners and office furniture in order for employees to set up a working space in their homes. b. Where an employer pays for a taxi to transport an employee to or from work due to health and safety concerns, a BIK will not arise for the duration of the COVID-19 period. c. Provided the employee is integral to the business of a company 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 or direct claim to the service provider), a BIK will not 	<p>1. Revenue guidance – https://www.revenue.ie/en/corporate/communications/covid19/filing-and-paying.aspx</p> <p>2 – 3. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p> <p>4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/relief-from-excise-duty-for-the-manufacture-of-hand-sanitiser-products.aspx</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>arise. This may include costs related to family members who were on holiday or due to go on holidays with the employee.</p> <p>d. Temporary accommodation may be provided to an employee to mitigate against potential transmission risk without a BIK arising.</p> <p>6. Ability for businesses to give an additional tax free voucher to employees to recognise an employee's exceptional efforts during the COVID-19 crisis. A maximum cap of €500 remains in place, but more than one voucher can be paid to employee on a concessionary basis (normal requirement is that only one voucher can issue up to a maximum value of €500 per year tax free, now the €500 can be split into two vouchers without triggering a BIK).</p> <p>7. The Temporary COVID-19 Wage Subsidy Scheme is being run through the systems of the Irish Revenue.</p> <p>8. PSWT Interim Refunds: To accelerate interim refunds of Professional Services Withholding Tax (PSWT) during the Covid-19 pandemic, Revenue will accept refund claims via its online system where legible copies of the original F45 and F50 documents are attached.</p> <p>9. Updated HPL1 processing arrangements - Applicants no longer need to have a HPL1 form signed and stamped by Revenue. Applicants can request that local authorities contact Revenue directly for clearance. This updated arrangement is available for those who need the form completed for either: (i) social housing assistance or the (ii) Rebuilding Ireland Home Loan.</p> <p>10. Close Company Surcharges – Revenue will, on application, extend the 18-month period for distributions (to avoid a close company surcharge) by a further 9 months.</p> <p>11. No restriction on group relief and loss relief, where a corporation tax return in respect of an accounting period ending June 2019 onwards, and due from 23 March 2020 onwards, is filed late due to the Covid-19 crisis.</p> <p>12. Tax clearance Form CG50A can now be obtained through Revenue Online Services.</p>	<p>5 - 6. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p> <p>7. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/temporary-covid-19-wage-subsidy-scheme.aspx</p> <p>8 - 9. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p> <p>10. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p> <p>11. Revenue eBrief – https://www.revenue.ie/en/tax-professionals/ebrief/2020/no-0662020.aspx</p> <p>12. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p>
<p>Individual taxation incentives / measures</p>	<p>1. Payments of local property tax due on 21 March 2020 are now due on 21 May 2020 (two month extension).</p> <p>2. See 5, 6 and 7 above.</p> <p>3. Working from home in Ireland will not impact a variety of reliefs/orders including: Trans-Border Workers Relief, PAYE Dispensation Applications, PAYE Exclusion Orders (where there is an Irish Contract of Employment) and Multi-State workers.</p> <p>4. Where a departure from the State is prevented due to COVID-19, Revenue will consider this 'force majeure' for the purpose of establishing an individual's tax residence position.</p> <p>5. Exemption in respect of retraining costs as part of a redundancy package – Revenue willing to extend condition that retraining is completed within 6 months of the termination of employment, where a termination takes place during the Covid-19 crisis. The retraining must instead take place within 6 months of the required course/training becoming available following the end of the Covid-19 crisis.</p>	<p>1. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p> <p>2 - 5. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p>
<p>International tax law</p>	<p>1. 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.</p>	<p>1. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ol style="list-style-type: none"> 2. Revenue prepared to disregard presence in Ireland of an individual as a result of travel restrictions related to COVID-19, for corporation tax purposes for a company (in relation to which the individual is an employee, director, service provider or agent). Revenue will also disregard presence outside of Ireland for corporation tax purposes for the company. 3. Working from home in Ireland will not impact a variety of reliefs/orders including: Trans-Border Workers Relief, PAYE Dispensation Applications, PAYE Exclusion Orders (where there is an Irish Contract of Employment) and Multi-State workers. 4. Where a departure from the State is prevented due to COVID-19, Revenue will consider this 'force majeure' for the purpose of establishing an individual's tax residence position. 	<p>2. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/corporation-tax.aspx</p> <p>3 - 4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p>

2.24. ITALY



Number of Covid-19 cases:	230.158
Existence of tax subsidies / measures:	Yes
Date of last update:	28/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>According to the “Cure Italy” Decree (Law Decree n. 18 /2020, converted into Law n. 27 on 29 April 2020), the so called Anti Waste Gift regime (L. 166/2016), introduced to facilitate donations of certain kind of products (mainly food and pharmaceutical products) to non-profit entities, neutralizing any (adverse) tax effects of the donations, is extended to other categories of <u>unsellable</u> products, such as: textile and clothing, furnishings, domestic appliances, toys, personal computer, tablet, e-reader, etc.²⁹</p> <p>The abovementioned decree, provides the following for donations (both in cash and in kind)³⁰, made in 2020 to front this emergency, in favour of State, Regions, Municipalities, non-profit entities and certain religious entities³¹:</p> <ul style="list-style-type: none"> • If made by <u>individuals or non-profit entities</u> → an amount equal to 30% of the amount donated (with a threshold of € 30.000) can be deducted from the gross tax (<i>detrazione</i>)³² • If made by <u>entrepreneurs or companies</u> → a full deduction (with no threshold) from taxable income for CIT and regional tax purposes³³. <p>The relevant value of the donations in kind is determined according to specific provisions³⁴</p> <p>The so called “Liquidity” Decree (Law Decree n.33/2020), issued on April 8, 2020, provided that free disposal of pharmaceutical products in the context of compassionate use programs are not subject to VAT or income tax³⁵.</p>	<p>“Liquidity” Decree (Law Decree n. 23/2020); L. 166/2016; “Cure Italy” Decree (Law Decree n. 18/2020 converted into Law n. 27 on 29 April 2020); DPCM 20 June 2000 as modified by DPCM 10 November 2000; Decree of the Ministry of Labour and Social Policies dated 28 November 2019</p> <p>Revenue Resolutions n. 21/2020 and 25/2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p>
Direct tax credits / incentives	<p>The Government adopted the so called “Relaunch” Decree (Law Decree n. 34/2020), with measures to restart in safety and revive the Italian economy after the crisis caused by the Covid-19 emergency. The Decree introduced the following measures:</p> <ul style="list-style-type: none"> • For entrepreneurs/companies and professionals <ul style="list-style-type: none"> ○ with no more than € 5 million of revenues in FY 2019 (this threshold does not apply to hotels and holiday farms) <u>and</u> ○ who have suffered a 50% reduction of turnover in March, April and May 2020 compared to March, April and May 2019 <p>→ tax relief of 60% of lease fees i) relating to immovable property, for non-residential use and instrumental for business, professional or agricultural activities, ii) paid for the months of March, April and May 2020 (April, May and June 2020 for hotels with seasonal activity).</p>	<p>“Relaunch” Decree (Law Decree 34/2020; “Liquidity” Decree (Law Decree n. 23/2020); “Cure Italy” Decree (Law Decree n 18/2020 converted into Law n. 27 on 29 April 2020); Law Decree n. 59/2016; DPCM 11 March 2020</p> <p>Italian Tax Authority Circular n. 8/2020</p>

²⁹ Art. 71-bis of Law Decree n. 18/2020

³⁰ See Revenue Resolutions n. 21/2020 and 25/2020 for further clarifications (e.g. the documentation required in order to qualify for these tax allowances).

³¹ Besides the mentioned religious entities, the beneficiaries of the donations made by entrepreneurs or companies are better identified in DPCM 20 June 2000 which mentions also labor unions or professional associations

³² Art. 66, par. 1 of Law Decree n. 18/2020

³³ Art. 66, par. 2 of Law Decree n. 18/2020

³⁴ Articles 3 and 4 of the Decree of the Ministry of Labour and Social Policies dated 28 November 2019 (Art. 66, par. 3 of Law Decree n. 18/2020).

³⁵ Art. 27 of Law Decree n. 23/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>In case of lease of goings concerns or specific services contracts including at least one of the abovementioned property, the tax relief is equal to 30% of the relevant fee.</p> <p>Note: the tax incentive is extended also to non-profit entities with respect to lease fees relating to immovable property, for a non-residential use and devoted to institutional activities.</p> <p>The tax credit:</p> <ul style="list-style-type: none"> ○ can be used, after the payment of the relevant lease fees, i) in the FY 2020 tax return or ii) to offset tax debts (<i>compensazione</i>) (without limit of amount)³⁶ ○ is not taxable and is not relevant for certain deductibility ratios³⁷ ○ cannot be combined with the tax credit for shops included in the “Cure Italy” Decree³⁸ <ul style="list-style-type: none"> • For specific activities open to the public (i.e. hotels, restaurants, cinemas, theatres)³⁹ → tax relief of 60% of the costs incurred in 2020⁴⁰ (and up to € 80.000 per beneficiary) in order to adapt workspaces and production processes to the sanitary and containment measures adopted to face the Covid-19 during the resumption of the activities. Note: this tax credit i) can be combined with other tax incentives relating to the mentioned costs, ii) can be used in 2021 only and (only) to offset tax debts (<i>compensazione</i>) (with no limit of amount)^{41,42} • For entrepreneurs/companies, professionals and non-profit entities → tax relief (for 2020) of 60% of the costs of workplace sanitation and for the purchase of personal protection equipment/safety devices to protect workers from the Covid-19 disease⁴³ (with a threshold of € 60.000 and a general cap at national level of € 200 million). This tax credit can be i) used in the FY 2020 tax return or ii) to offset tax debts (<i>compensazione</i>) (with no limit of amount)⁴⁴, iii) is not taxable⁴⁵. • Tax credits for: <ul style="list-style-type: none"> ○ shops (introduced by the Cure Italy Decree, see below) ○ rental of immovable property, instrumental for business, professional or agricultural activities ○ workspace adaptation ○ workplace sanitation <p>can be assigned (also partially) during the period between 19 May 2020 and 31 December 2021 by the beneficiaries to other subjects. In this case, the receiving subject can use the credits even to offset tax debts (<i>compensazione</i>) (with no limit of amount)⁴⁶, and with the same modalities provided for the beneficiary; the credits <u>cannot</u> be reimbursed or carried forward⁴⁷.</p> • For companies (excluding financial intermediaries, financial and non-financial holdings and insurance companies) <ul style="list-style-type: none"> ○ with revenues ranging between € 5 million and € 50 million (to be computed at group level) ○ who have suffered a 33% (total) reduction of revenues in March and April 2020 compared to March and April 2019 (to be computed at group level) ○ who approved after 19 May 2020 a paid share capital increase, fully paid in by 31 December 2020 and subject to other specific conditions (e.g. they do not fall into the category of companies in difficulty under EU Commission Regulation, are tax and wage compliant, etc..) 	<p>Note: Law Decrees may be subject to amendments when converted into laws.</p>

³⁶ In particular, limitations provided under art 1 par. 53 of Law n. 244/2007 and art. 34 of Law n. 388/2000 are not applicable

³⁷ As provided in Art. 61 (for individuals) and 109 (for companies) of the Italian Tax Consolidated Text

³⁸ Art. 28 of Law Decree n.34/2020

³⁹ The list of these activities is included in Annex 1 of Law Decree n. 34/2020.

⁴⁰ See Art. 120 par. 1 of Law Decree n.34/2020 to better identify the costs eligible for the tax credit

⁴¹ See art 1 par. 53 of Law n. 244/2007 and art. 34 of Law n. 388/2000

⁴² Art. 120 of Law Decree n.34/2020

⁴³ See Art. 125 par. 2 of Law Decree n. 34/2020 to identify costs eligible for the tax credit

⁴⁴ See art 1 par. 53 of Law n. 244/2007 and art. 34 of Law n. 388/2000

⁴⁵ Art. 125 of Law Decree n.34/2020

⁴⁶ In particular, limitations provided under art 1 par. 53 of Law n. 244/2007 and art. 34 of Law n. 388/2000 are not applicable

⁴⁷ Art. 122 of Law Decree n.34/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>→ tax relief equal to 50% of losses resulting from the 2020 financial statement exceeding the 10% of the equity (before losses) and up to the 30% of the share capital increase. The benefit is revoked in case of distribution of reserves made before 1 January 2024.</p> <p>Companies who made the contributions in cash (up to € 2 million) for the abovementioned share capital increase will benefit from a 20% tax credit if the participation related to the contribution is held until 31 December 2023 and the receiving company does not distribute reserves until 1 January 2024. <u>This tax credit is not granted to intra-group contributions</u>⁴⁸.</p> <p>Note: these two tax incentives can be combined between them or with other aid measures; however the overall benefit cannot exceed the threshold of € 800,000 for each (industrial) company. This measure is subject to the approval of the EU Commission⁴⁹.</p> <ul style="list-style-type: none"> • For entrepreneurs/companies and certain professionals (with some exclusions such as financial intermediaries and professionals registered with specific social security bodies etc.) <ul style="list-style-type: none"> ○ with no more than € 5 million of turnover in FY 2019 ○ with turnover in April 2020 less than two thirds of the of the turnover in April 2019 <p>→ non-refundable relief from a minimum of €1,000 (€2,000 for companies). A specific request to the Italian Tax Authority is required⁵⁰.</p> <ul style="list-style-type: none"> • For companies operating in Southern Italy⁵¹: the relevant tax credit for Research and Development (R&D)⁵² is increased from 12% to <ul style="list-style-type: none"> ○ 25% for subjects with at least 250 employees, with annual turnover of at least € 50 million or with a total balance sheet assets of at least € 43 million ○ 35% for subjects with at least 50 employees, with annual turnover of at least € 10 million ○ 45% for subjects with less than 50 employees, with annual turnover up to € 10 million or with a total balance sheet assets up to € 10 million⁵³. <p>The “Cure Italy” Decree provides the following tax incentives:</p> <ul style="list-style-type: none"> • <u>For companies</u> (with no restrictions per industries, i.e. not only for banks/financial institutions) → conversion into tax credit of DTA relating to (a) tax losses carried forward, and (b) unused Notional Interest Deduction (<i>eccedenze ACE</i>). In order to access the DTA conversion it is required that: <ul style="list-style-type: none"> ▪ The company has “bad debts” (BD). To this extent, bad debts are those past due for more than 90 days; ▪ The BD are assigned (assignments to related parties are not relevant) within 31 December 2020. <p>In this case:</p> <ul style="list-style-type: none"> ▪ The TLCF/unused NID can be converted for an amount up to 20% of the nominal value of the relevant assigned BD subject to the additional condition that the BD assignments are relevant to this end within the threshold of € 2 billion (to be computed at group level), and ▪ DTA can be converted into a tax credit even if not effectively booked ▪ The conversion occurs at the effective date of the disposal of the BD ▪ The tax credit can be i) used to offset tax debts (<i>compensazione</i>), ii) assigned, iii) reimbursed <p>A specific option (as per Article 11 of Law Decree n. 59/2016) is required⁵⁴.</p> 	

⁴⁸ Art. 26 of Law Decree n. 34/2020

⁴⁹ See Art. 108 of the Treaty on the Functioning of the European Union on State aids.

⁵⁰ Art. 25 of Law Decree n. 34/2020

⁵¹ Regions: Abruzzo, Basilicata, Calabria, Campania, Molise, Apulia, Sardinia and Sicily

⁵² See art 1 par. 200 of Law n. 160/2019

⁵³ Art. 244 of Law Decree n. 34/2020

⁵⁴ Art. 55 of Law Decree n. 18/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> • <u>For entrepreneurs and companies</u> → tax relief of 60% of lease fees for shops⁵⁵ (with the exception of some activities, e.g. supermarkets, laundries, certain food stores, optical and photography materials shops, perfumeries, and others⁵⁶: fashion shops not in the list) due for the month of March 2020 and only if the shop is an immovable property with cadastral category C/1. The abovementioned credit (i) is not taxable, and (ii) is not relevant for certain deductibility ratios^{57,58}. <ul style="list-style-type: none"> ▪ According to Revenue Circular n. 8/2020, the credit is recognized if the lease fee due for the month of March 2020 is actually paid. • <u>For entrepreneurs/companies, professionals and non-profit entities</u> → for 2020, the tax credit relating to certain investments in advertising campaigns on the daily/periodical newspapers, on local televisions and radio stations, has been empowered providing that the tax credit is granted in the single measure of 50% of the investment done (instead of 75% of the increasing investment). The tax credit is subject to the so called <i>de minimis</i> regime and to a general cap of € 60 million⁵⁹. <p>The “Liquidity” Decree introduced a specific provision relating the advance payments of CIT/Regional tax for fiscal year 2020 (due in two instalments, ordinarily in June and November). If the tax payer opts to determine the advance payment with the so call “forecast method” (<i>metodo previsionale</i>), no penalties nor interest will be applicable if the payments made will result to be not less than 80% of those that would have been due on the basis of the final CIT/Regional tax actually determined for FY 2020⁶⁰.</p>	
<p>Indirect tax incentives / measures</p>	<p>No import VAT and custom duties are due on importation of masks and other equipment to front the Covid-19 pandemic emergency subject to certain conditions (e.g. importation of goods to be distributed for free to certain public / non-profit entities)⁶¹.</p> <p>According to the “Relaunch” Decree, until 31 December 2020 medical and personal protection goods and equipment are temporary VAT exempt (with right of deduction of input VAT). As from 2021, 5% VAT rate will apply on these goods⁶².</p>	<p>“Relaunch” Decree (Law Decree n. 34/2020)</p>
<p>Suspension / extension of tax filings’ terms</p>	<p>The “Liquidity” Decree postponed (for 2020) the filing term of the tax statement issued by withholding agents to employees and professionals (<i>certificazione unica</i>) from 31 March to 30 April 2020⁶³</p> <p>According to the “Cure Italy” Decree, tax fulfilments (excluding payments, withholding taxes and withholdings concerning regional and municipal surcharges) falling due from 8 March to 31 May 2020 are suspended → new deadline 30 June 2020⁶⁴</p> <p>The definition of tax fulfilments appears to be quite wide. Revenue Circular n. 8/2020 clarified that the suspension applies to requests of documentation by the tax offices related to formal checks of tax returns (<i>controlli formali delle dichiarazioni</i>), while the issue of invoices is not affected by the suspension.</p>	<p>Liquidity Decree (Law Decree n. 23/2020); “Cure Italy” Decree (Law Decree n 18/2020 converted into Law n. 27 on 29 April 2020); DM 24 February 2020</p> <p>Italian Tax Authority Circulars n. 4/2020, n. 7/2020, n. 8/2020, n.11/2020</p>

⁵⁵ According to Revenue Circular n. 11/2020 for the purpose of the calculation of the tax relief condo fees and fees relating to appurtenances (devoted to the business activity) are relevant if included in the contract as a whole with the rent.

⁵⁶ In details the tax relief does not apply to the activities listed in Annex 1 and Annex 2 of DPCM 11 March 2020

⁵⁷ As provided in Art. 61 (for individuals) and 109 (for companies) of the Italian Tax Consolidated Text

⁵⁸ Art. 65 of Law Decree n. 18/2020

⁵⁹ Art. 98, par. 1 of Law Decree n. 18/2020, as modified by art. 186 of Law Decree n. 34/2020

⁶⁰ Art. 20 of Law Decree n. 23/2020

⁶¹ European Commission No. 2020/491; Italian Custom Agency Determination 107042/RU, dated April 3, 2020. For further clarifications see Custom Agency Circular n. 6/2020 dated 8 may 2020.

⁶² Art.124 of Law Decree n. 34/2020

⁶³ Art. 22 of Law Decree n. 23/2020

⁶⁴ Art. 62, par. 1 and 6 of Law Decree n. 18/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>According to Revenue Circular n. 11/2020, the annual VAT filing of non-residents who applied for the direct identification for VAT purposes or appointed a tax representative in Italy is within the scope of the suspension⁶⁵.</p> <p>Note: with reference to the territories in North of Italy initially considered “Red Zone” (listed in Annex 1 of DPCM dated 1 March 2020⁶⁶) specific provisions have been introduced for tax fulfilments falling due from 21 February to 31 March 2020⁶⁷</p> <p>The abovementioned Decree introduced a suspension of the deadlines, falling due from 8 March to 31 May 2020, only for the tax offices activities concerning tax assessments, inspections, tax audits, tax collection, tax litigation and tax rulings⁶⁸</p> <ul style="list-style-type: none"> • Revenue Circular n. 4/2020, concerning the tax rulings included in the scope of this provision, clarified that this suspension applies also to taxpayers who receive in the abovementioned period a request of regularization/supplementary documentation by the tax office ▪ With respect to <u>patent box procedures</u>, Revenue Circular n. 7/2020 clarified that the terms for the filing of supplementary documentation relating to taxpayer’s ruling requests (ordinarily 120 days from the filing of the request) are subject to the abovementioned suspension. This means that if, for example, a ruling request has been filed the 27 of December 2019, the 120 days terms will be suspended between 8 March and 31 May, starting to run again the 1 June: the final deadline will be therefore 18 July 2020. ▪ The same suspension applies also with respect to advance pricing agreements for enterprises with international activities. 	<p>Note: Law Decrees may be subject to amendments when converted into laws.</p>
<p>Suspension / extension of tax payments’ terms</p>	<p>The “Relaunch Decree” introduced new measures:</p> <ul style="list-style-type: none"> • For entrepreneurs/companies and professionals with no more than <u>€ 250 million of revenues</u> in FY 2019 → with reference to Regional Tax, the final balance payment due for 2019 and the first instalment of the advance payment due for 2020 are not due (an amount corresponding to the first instalment 2020 can nevertheless be deducted from the final balance payment due for 2020). This provision does <u>not</u> apply to financial intermediaries, financial and non-financial holdings and insurance companies⁶⁹. • For specific activities in the touristic sector (e.g. hotels and beach establishments) → first advance payment of the Municipal property tax, falling due on 16 June 2020, is not due (only when owner and operator coincide)⁷⁰ • Payment of certain custom duties falling due between 1 May and 31 July 2020, is deferred by 60 days for holders of debit accounts: <ul style="list-style-type: none"> a) who operate in the transport sector; b) with <u>no more than € 50 million of revenues in FY 2019</u> and who have suffered a <u>33% reduction</u> of turnover in March and April 2020 compared to March and April 2019; c) with <u>more than € 50 million of revenues in FY 2019</u> and who have suffered a <u>50% reduction</u> of turnover in March and April 2020 compared to March and April 2019⁷¹ 	<p>“Relaunch” Decree (Law Decree n. 34/2020 “Liquidity” Decree (Law Decree n. 23/2020); DM 24 February 2020; “Cure Italy” Decree (Law Decree n. 18/2020 converted into Law n. 27 on 29 April 2020); DPCM 1 March 2020</p> <p>Italian Tax Authority Circular n. 5/2020; Italian Tax Authority Resolutions n. 12/2020 and 14/2020; Italian Customs Agency Determination dated 21 May 2020 n. 152155/RU</p>

⁶⁵ See Revenue Circular n. 11/2020 for further clarifications relating the scope of this suspension

⁶⁶ *Municipalities:*

1) *in the Lombardy region:* a) Bertonico; b) Casalpusterlengo; c) Castelgerundo; d) Castiglione D’Adda; e) Codogno; f) Fombio; g) Maleo; h) San Fiorano; i) Somaglia; l) Terranova dei Passerini.

2) *in the Veneto region:* a) Vo’.

⁶⁷ Art. 62 par. 4 and 5 of Law Decree n. 18/2020; Art. 1 DM 24 February 2020

⁶⁸ Art. 67 par. 1-3 of Law Decree n. 18/2020. In respect of tax litigation, the Revenue Circular n. 8/2020 clarified that tax offices should calculate terms and deadlines having regard to the suspension provided under Art. 83 of the same Decree (rather than sticking to Art. 67). See Section *Suspension / extension of tax controversies’ terms*. However, an express repeal of any reference to tax litigation in the language of Art. 67 (with the ensuing applicability of the sole provisions of Art. 83 to tax litigation) would constitute the most appropriate solution to avoid any misinterpretation with regard to the calculation of terms and deadlines of tax litigation. Art. 29 par. 3 of Law Decree n. 23/2020 should solve this issue even if the language of this provision is not entirely correct.

⁶⁹ Art. 24 of Law Decree n. 34/2020

⁷⁰ Art. 177 of Law Decree n. 34/2020

⁷¹ Art. 161 of Law Decree n. 34/2020, to be coordinated (see Customs Agency Notice dated 21 May 2020 “*Postponement of customs duties payments falling due between 1 May and 31 July 2020*”) with art. 92 par. 3 of Law Decree n. 18/2020 (see Customs Agency Note dated 21 April 2020 n. 121877/RU and Determination dated 21 April 2020 n. 121878/RU). For further clarifications see Customs Agency Determination dated 21 May 2020 n. n. 152155/RU

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>To this extent, a specific request to the Customs Agency is required⁷².</p> <p>The “Liquidity” Decree provided a suspension for payments relating:</p> <ul style="list-style-type: none"> • Withholding taxes (including regional e and municipal surcharges) on employees • VAT • Social contributions <p>falling due in April and May 2020 → new deadline, 16 September 2020⁷³ (possibility of payment in instalments).</p> <p>The suspension is granted to <u>entrepreneurs/companies and professionals</u> with respectively:</p> <ul style="list-style-type: none"> • no more than € 50 million of revenues in FY 2019 and who have suffered a 33% reduction of turnover in March and April 2020 compared to March and April 2019⁷⁴ • more than € 50 million of revenues in FY 2019 and who have suffered a 50% reduction of turnover in March and April 2020 compared to March and April 2019⁷⁵ <p>Note: i) the same suspensions apply also to startups; ii) the abovementioned suspensions concerning withholding taxes (including regional e and municipal surcharges) on employees and social contributions apply also to non-profit entities pursuing an aim of general interest (not under the business regime) and other subjects⁷⁶; iii) with reference to the <u>Provinces of Bergamo, Brescia, Cremona, Lodi and Piacenza</u>, the abovementioned suspension for VAT payments applies, regardless of the FY 2019 volumes of turnover, if there is a 33% reduction of turnovers in March and April 2020 compared to those of March and April 2019⁷⁷</p> <p>For <u>entrepreneurs/companies and professionals</u> (and other specific subjects)⁷⁸ with no more than <u>€ 400.000 of revenues</u> in FY 2019, <u>without personnel costs</u> in February 2020:</p> <ol style="list-style-type: none"> revenues received in the period from 17 March to 31 May 2020 may optionally not be subject to withholding taxes on income from self-employment, and on commissions relating to activities of agency and similars⁷⁹ (at request) → the taxpayers shall pay itself the amount of the withholding taxes (not levied by the payer of the compensation) by 16 September 2020 (possibility of payment in instalments)⁸⁰ <p>The “Cure Italy” Decree introduced, <u>for all taxpayers</u>, a suspension for:</p> <ol style="list-style-type: none"> Payments (including payments of social contributions) in favour of the public administration falling due on 16 March 2020 → new deadline, 16 April 2020⁸¹ Payments, deriving from <ul style="list-style-type: none"> • notices of payment (<i>cartelle di pagamento</i>); • immediately enforceable tax assessment notices (<i>avvisi di accertamento esecutivi</i>) issued by Italian Tax Authorities in respect of income taxes, regional tax and VAT. Please note that according to Revenue Circular n. 5/2020 such suspension applies only to payments due once that the assessment notice has been assigned to the collection agent (more specifically, considering that in case the assessment has been assigned to the 	<p>Note: Law Decrees may be subject to amendments when converted into laws.</p>

⁷² See Customs Agency Determination dated 21 May 2020 n. 152155/RU

⁷³ Art. 18 of Law Decree n. 23/2020, as modified by art. 126 Law Decree n. 34/2020

⁷⁴ Art. 18 par. 1 and 2 of Law Decree n. 23/2020

⁷⁵ Art. 18 par. 3 and 4 of Law Decree n. 23/2020

⁷⁶ Art. 18 par. 5 of Law Decree n.23/2020

⁷⁷ Art. 18 par. 6 of Law Decree n. 23/2020. See Revenue Circular n. 9/2020 for further clarifications

⁷⁸ See Articles 25 and 25 bis of Pres. Dec. 600/1973

⁷⁹ See Articles 25 and 25 bis of Pres. Dec. 600/1973

⁸⁰ Art. 19 of Law Decree n. 23/2020 as modified by art. 126 of Law Decree n. 34/2020

⁸¹ Art. 60 of Law Decree n. 18/2020, as modified by Art. 21 of Law Decree n. 23/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>collection agent a payment term is generally not provided, the most relevant case covered by the provision should be the payment for which an instalment plan has been granted)⁸²</p> <ul style="list-style-type: none"> • debit notices (<i>avvisi di addebito</i>) issued by the Italian Institution for Social Security (<i>INPS</i>) • immediately enforceable tax assessment notices issued by the Italian Customs Agency • immediately enforceable tax assessment notices and other assessment notices issued in respect of local taxes <p>falling due from 8 March to 31 August 2020 → new deadline, 30 September 2020⁸³</p> <p>The “Relaunch” Decree provides also that the taxpayer's forfeiture of the instalment plans in force as at 8 March 2020 (as well as the admitted instalment plans requests, submitted until 31 August 2020) occurs in the event of 10 non-paid instalments (instead of 5 non-paid instalments as ordinarily provided)⁸⁴.</p> <p>The failure, insufficient or late payment of the instalments (to be paid in 2020) related to the so-called <i>rottamazione-ter</i> and <i>saldo e stralcio</i>⁸⁵ does not entail the loss of the mentioned benefit measures as long as the full payment of the instalments is made within 10 December 2020⁸⁶.</p> <p>Moreover, a new instalment plan can be granted by the Italian Tax Authority to taxpayers who lost the benefits of the <i>rottamazione-ter</i> and <i>saldo e stralcio</i> within 31 December 2019⁸⁷.</p> <p>The “Relaunch” Decree provides, <u>for all taxpayers</u>, a suspension⁸⁸ of payment (in full or in instalments) related to:</p> <ul style="list-style-type: none"> • Tax settlement agreements (<i>accordi di adesione</i>); • Judicial settlements (<i>conciliazioni giudiziali</i>); • Mediation agreements (<i>accordi di mediazione</i>); • Notices for collect undue tax credits (<i>atti di recupero</i>); • Certain notices of liquidation (<i>avvisi di liquidazione</i>), for which the acquiescence is not allowed; <p>falling due from 9 March to 31 May 2020 → new deadline, 16 September 2020⁸⁹.</p> <p>The taxpayer can pay in full by 16 September 2020 or, as an alternative, in four monthly instalments starting from September 2020 and expiring on the day 16 of each month.</p> <p>The “Relaunch Decree” also provides, for all taxpayers⁹⁰:</p> <ul style="list-style-type: none"> • a <i>restitutio in integrum</i> for payments (in full or in instalments) related to notices of irregularity (<i>avvisi bonari</i>) and notices of liquidation for income subject to separate taxation (<i>tassazione separata</i>) expiring between 8 March and 18 May 2020 → The new deadline of payment is 16 September 2020; • a suspension for payments (in full or in instalments) derived from notices of irregularity (<i>avvisi bonari</i>) and notices of liquidation for income subject to separate taxation (<i>tassazione separata</i>) expiring between 19 May and 31 May 2020 → The new deadline of payment is 16 September 2020. 	

⁸² According to Revenue Circular n. 5/2020 the suspension at hand does not cover the payments related to immediately enforceable tax assessment notices and due within the term for serving the appeal before the first instance tax court against the tax assessment (i.e. the interim payment of 1/3 of the amount of assessed taxes and interest in case an appeal is filed or, as an alternative, the payment of the full amount of assessed taxes, penalties and interest in case of acquiescence). In case the term for such payments was still pending at 9 March 2020, the term is suspended until 11 May 2020 pursuant to Art. 83 of Law Decree n. 18/2020 (see further below).

⁸³ Art. 68, par. 1-2 of Law Decree n. 18/2020, as amended by article 154, par. 1, let. a) of Law Decree n. 34/2020

⁸⁴ Art. 154 par. 1, let. b) of Law Decree n. 34/2020

⁸⁵ It refers to specific provisions granting the possibility to the taxpayers to pay the amount of taxes/social contributions due without penalties and interest.

⁸⁶ Art. 154 par. 1, let. c) of Law Decree n. 34/2020

⁸⁷ Art. 154 par. 1, let. d) of Law Decree n. 34/2020

⁸⁸ Art. 149 of Law Decree n. 34/2020

⁸⁹ The provision also applies to payments (in instalments), falling due from 9 March to 31 May, derived from specific provisions granting the possibility to settle tax assessments and tax disputes (*definizione agevolata dei PVC, definizione agevolata degli atti di accertamento, definizione agevolata delle controversie tributarie*). For further details, please see Art. 160, par. 4 of Law Decree n. 34/2020

⁹⁰ Art. 144 of Law Decree n. 34/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>In both cases, the taxpayer can pay the full amount by 16 September 2020 or, as an alternative, in four monthly instalments starting from September 2020 and expiring on the day 16 of each month.</p> <p>With reference to the <u>territories in North of Italy initially considered “Red Zone”</u> (listed in Annex 1 of DPCM dated 1 March 2020⁹¹) the following suspensions are still effective:</p> <ul style="list-style-type: none"> • Payments concerning taxes (VAT, income tax, etc.) and withholding taxes on employees, falling due from 21 February to 31 March 2020 → new deadline, 16 September 2020⁹² (possibility of payment in instalments) • Payments, deriving from notice of payment (<i>cartella di pagamento</i>) and certain tax assessment notices⁹³, falling due from 21 February to 31 August 2020 → new deadline, 30 September 2020 • Payments of social contributions, falling due from 23 February to 30 April 2020 → new deadline, 16 September 2020 (possibility of payment in instalments)⁹⁴ <p>With reference to the <u>Provinces of Bergamo, Brescia, Cremona, Lodi and Piacenza</u>, a suspension is provided for:</p> <ol style="list-style-type: none"> i. VAT payments falling due from 8 March to 31 March 2020 → new deadline, 16 September 2020 (possibility of instalments)⁹⁵ <p>With reference to <u>specific sectors</u> such as hospitality industry, management of theatres and cinemas, organization of events, transportation, sports clubs⁹⁶, a suspension is provided for:</p> <ol style="list-style-type: none"> i. Payments concerning withholding taxes on employees and payments of social contributions, due until 30 April 2020 (excluding Sports clubs and Sport federations) → new deadline, 16 September 2020 (possibility of payment in instalments) ii. VAT payments falling due on March → new deadline, 16 September 2020 (possibility of payment in instalments)⁹⁷ <p>For Sports clubs and Sport federations the abovementioned payments are suspended until 30 June 2020 → new deadline, 16 September 2020 (possibility of instalments)⁹⁸</p> <p>For <u>entrepreneurs/companies and professionals</u> with no more than <u>€ 2 million of revenues</u> in FY 2019 a suspension is provided for:</p> <ol style="list-style-type: none"> i. Payments concerning withholding taxes on employees and payments for withholdings concerning the regional and municipal surcharges ii. VAT payments iii. Payments of social contributions <p>falling due from 8 March to 31 March 2020 → new deadline, 16 September 2020 (possibility of payment in instalments)⁹⁹</p>	

⁹¹ *Municipalities:*

1) *in the Lombardy region: a) Bertonico; b) Casalpusterlengo; c) Castelgerundo; d) Castiglione D'Adda; e) Codogno; f) Fombio; g) Maleo; h) San Fiorano; i) Somaglia; l) Terranova dei Passerini.*

2) *in the Veneto region: a) Vo'.*

⁹² Art. 62 par. 4 and 5 of Law Decree 18/2020, art. 1 DM 24 February 2020 as modified by art. 127 of Law Decree n. 34/2020

⁹³ See Art. 68 par. 2 bis of Law Decree 18/2020 as modified by art. 154 of Law Decree n. 34/2020

⁹⁴ Art. 5 of Law Decree n.9/2020 as modified by art. 126 of Law Decree n. 34/2020. Note: Law Decree n. 9/2020 is abrogated by art. 2 of Law n. 27/2020, however all acts and measures adopted as well as the effects produced and the legal relationships arising on the basis this Decree remain valid.

⁹⁵ Art. 62 par. 3 and 5 of Law Decree n. 18/2020 as modified by art. 127 of Law Decree n. 34/2020

⁹⁶ See Art. 61 par. 2 of Law Decree n. 18/2020. Revenue Resolutions n. 12/2020 and 14/2020 provided a (non exhaustive) list of these activities.

⁹⁷ Art. 61 par. 1 of Law Decree n. 18/2020 as modified by art. 127 of Law Decree n. 34/2020

⁹⁸ Art. 61 par. 5 of Law Decree n. 18/2020 as modified by art. 127 of Law Decree n. 34/2020

⁹⁹ Art. 62 par. 2 and 5 of Law Decree n. 18/2020 as modified by art. 127 of Law Decree n. 34/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Suspension / extension of tax controversies' terms</p>	<p>Tax payers who decide not to avail of the suspension terms, and who timely make the tax payments can ask to be publicly mentioned by the Revenue (an implementing decree will provide details on the mechanics and specific clarifications on how this mention can be used for commercial and advertising purposes)¹⁰⁰.</p> <ul style="list-style-type: none"> Hearings before tax courts are postponed after 11 May 2020¹⁰¹ All the terms and deadlines related to tax litigation proceedings (including the term for serving the appeal before the first instance tax court) are suspended from 9 March 2020 until 11 May 2020¹⁰². Such suspension covers also the payments related to immediately enforceable tax assessment notices (<i>avvisi di accertamento esecutivi</i>) and due within the term for serving the appeal before the first instance tax court against the tax assessment (i.e. the interim payment of 1/3 of the amount of assessed taxes and interest in case an appeal is filed or, as an alternative, the payment of the full amount of assessed taxes, penalties and interest in case of acquiescence) The term for reaching a mediation agreement within a tax mediation procedure is suspended from 9 March 2020 until 11 May 2020¹⁰³ <p>Revenue Circulars n. 5/2020, 6/2020 and 8/2020 clarified that this suspension also applies to settlement procedures (<i>accertamento con adesione</i>). In line with the interpretation of the Revenue Circulars, the “Relaunch” Decree has now officially stated the applicability of the suspension also to settlement procedures¹⁰⁴, so that the suspension indicated above cumulates with the 90-day suspension ordinarily provided for the tax settlement procedure (<i>accertamento con adesione</i>). In case both the Tax Office and the taxpayer have an interest in continuing the discussions of the settlement procedure, it is still possible to carry out such discussions according to the modalities indicated in the Revenue Circular n. 6/2020 (e.g. via certified mail or by phone/ video conference)</p> <p>The “Relaunch” Decree provides an extension of the term for serving the appeal before the first instance tax court related to the tax assessments and other notices of payment or liquidation listed in article 149, par. 1 (for which see the above Section “Suspension / extension of tax payments' terms”) as well as for tax assessment that can be settled by acquiescence (notably, the provision does not apply to tax assessments for which a request for starting a settlement agreement procedure has been filed), for which the deadline of payment expires between 9 March 2020 and 31 May 2020¹⁰⁵. The new deadline for the service of appeals is 16 September 2020.</p>	<p>“Relaunch” Decree (Law Decree n. 34/2020); “Liquidity” Decree (Law Decree n. 23/2020); “Cure Italy” Decree (Law Decree n. 18/2020 converted into Law n. 27 on 29 April 2020); Legislative Decree n. 218/1997</p> <p>Italian Tax Authority Circulars n. 5/2020 and 6/2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p>
<p>Others measures</p>	<ul style="list-style-type: none"> With reference to the territories in North of Italy initially considered Red Zone (listed in DPCM dated 1 march 2020¹⁰⁶) Law Decree 9/2020 introduced, a suspension of Chambers of Commerce fees (until 30 April 2020)¹⁰⁷ and other specific provisions, e.g. relating to wage subsidies and certain fees due by professionals. The Italian Tax Police suspended “until need ceased” tax and labour inspections (except for urgent cases that cannot be postponed) and AML inspection activities; The “Cure Italy” Decree introduced further measures as follows: 	<p>DPCM 1 March 2020; Note n. 73943 dated 11 march 2020, of the Italian Tax Police; “Cure Italy” Decree (Law Decree n. 18/2020 converted into Law n. 27 on 29 April 2020); “Liquidity” Decree (Law Decree n. 23/2020); “Relaunch” Decree (Law Decree n. 34/2020)</p>

¹⁰⁰ Art. 71 of Law Decree n. 18/2020

¹⁰¹ Art. 83 of Law Decree n. 18/2020 as modified by Art. 36 of Law Decree n.23/2020

¹⁰² Art. 83 of Law Decree n. 18/2020 as modified by Art. 36 of Law Decree n.23/2020

¹⁰³ Art. 83 of Law Decree n. 18/2020 as modified by Art. 36 of Law Decree n.23/2020

¹⁰⁴ Art. 158 of Law Decree n. 34/2020

¹⁰⁵ Art. 149, par. 3 of Law Decree n. 34/2020

¹⁰⁶ Municipalities:

1) in the Lombardy region: a) Bertonico; b) Casalpusterlengo; c) Castelgerundo; d) Castiglione D'Adda; e) Codogno; f) Fombio; g) Maleo; h) San Fiorano; i) Somaglia; l) Terranova dei Passerini.

2) in the Veneto region: a) Vo'.

¹⁰⁷ Art. 7 of Law Decree n. 9/2020. Note: Law Decree n. 9/2020 is abrogated by art. 2 of Law n. 27/2020, however all acts and measures adopted as well as the effects produced and the legal relationships arising on the basis this Decree remain valid.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> a. The statute of limitation for the tax offices activities is suspended for a range of time equal to the abovementioned suspensions of tax payments. In any case the scope of the provision and its interpretation is not entirely clear yet¹⁰⁸. b. Shareholder meetings are held within 180 days (in derogation from the Italian Civil Code or company's statute) from the end of the financial year and there are specific provisions to facilitate the exercise of voting rights (electronic voting, vote by correspondence). The abovementioned provisions apply only to shareholder meetings held by 31 July 2020¹⁰⁹. <ul style="list-style-type: none"> ▪ Other specific work/financial incentives are provided but not strictly tax-related and then out of the scope of this report. • According to Revenue Circular n. 8/2020, certificates of residence issued by foreign Tax Authorities, required by intermediaries to apply specific withholding tax rates reductions or exemptions, expiring in the period from 31 January to 31 July 2020, retain their validity for the ninety days following the declaration of the end of the state of Emergency¹¹⁰, if intermediaries cannot obtain such documentation due to this Covid-19 emergency. • The "Liquidity" Decree introduced further provisions, not all of a tax nature, including: <ul style="list-style-type: none"> ▪ The possibility to obtain loans guaranteed by SACE S.p.A, subject to certain conditions (i.e. loan duration no more than six year and postponing for one year the dividend distribution for 2020)¹¹¹ ▪ With regards to procurement and supply legislation, it is provided that the certification of existence of specific requirements (<i>Documento unico di regolarità fiscale</i> or <i>DURF</i>) issued by February 2020, remains valid until 30 June 2020¹¹² ▪ Specific provisions to temporarily neutralize: i) certain obligations required in case of reduction of the share capital (for losses or below the lawful minimum) and in case of the connected cause of termination¹¹³; ii) the application of the going concern principle in the evaluations made in the financial statements¹¹⁴ • New measures included in the "Relaunch" Decree: <ul style="list-style-type: none"> ▪ The deadline to deliver assets interested by the 2019 super-depreciation (<i>superammortamento</i>) is extended until 31 December 2020¹¹⁵ ▪ New kind of Individual long-term savings plans (known as PIR)¹¹⁶ ▪ For plastic tax and sugar tax the entry into force is postponed to 1 January 2021¹¹⁷ ▪ The safeguard clauses on VAT and excise duties have been repealed from 2021¹¹⁸ ▪ For 2020 the tax refunds are not subject to the prior offsetting between the taxpayer's credit and the Italian Tax Authority's enforceable tax claims¹¹⁹. 	<p>Italian Tax Authority Circulars n. 4/2020, n. 7/2020, n. 8/2020, n. 9/2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p>

¹⁰⁸ Art. 67 par. 4 of Law Decree n. 18/2020 (in doubt how to coordinate this provision with par. 1 of the same article). Note: at the time of the conversion into law of the "Cure Italy" Decree the extension until 31 December 2022 of the statute of limitation (CIT, regional tax, VAT) for FY 2015 (and FY 2014 in case of missed filing of the tax return) has been cancelled (according to Revenue Circular n. 8/2020 the same extension applied also to the statute of limitation regarding the registration tax).

¹⁰⁹ Art. 106 of Law Decree n. 18/2020

¹¹⁰ See Art. 103 of Law Decree n.18/2020 as modified by Art. 37 of Law Decree n.23/2020

¹¹¹ See Art. 1 of Law Decree n. 23/2020

¹¹² Art. 23 of Law Decree n. 23/2020. See Revenue Circular n. 9/2020 for further clarifications

¹¹³ Art. 6 of Law Decree n. 23/2020

¹¹⁴ Art. 7 of Law Decree n. 23/2020

¹¹⁵ Art. 50 of Law Decree n. 34/2020

¹¹⁶ Art. 136 of Law Decree n. 34/2020

¹¹⁷ Art. 133 of Law Decree n. 34/2020

¹¹⁸ Art. 123 of Law Decree n. 34/2020

¹¹⁹ Art. 145 of Law Decree n. 34/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> ▪ Starting from 2020, the annual cap provided for offsetting (or tax refund for tax account [<i>conto fiscale</i>] holders) tax or social security credits against different tax and social security liabilities (<i>compensazione orizzontale</i>) by means of F24 payment form is raised to € 1 million (the previous cap was € 0.7 million)¹²⁰. ▪ Tax assessments, penalty notices (<i>atti di contestazione e di irrogazione delle sanzioni</i>), notices for collection of undue tax credits (<i>atti di recupero</i>), notices of liquidation (<i>avvisi di liquidazione</i>) for which the statute of limitation expires between 8 March 2020 and 31 December 2020, shall be issued no later than 31 December 2020 and shall be served to taxpayer between 1 January and 31 December 2021 (except in cases of urgency, or where it is requested for the completion of tax fulfillments that require the related tax payment)¹²¹. ▪ Furthermore the following notices and invitations issued within 31 December 2020 will be served in 2021: <ul style="list-style-type: none"> ✓ notices of irregularity (<i>avvisi bonari</i>); ✓ invitations for compliance relating to reporting data concerning periodic VAT settlements (<i>invito all'adempimento</i>); ✓ certain tax assessment for tax surcharge on motor vehicle taxes, tax on government concessions for the use of mobile phones etc.¹²² • The statute of limitation for serving the notices of payment (<i>cartelle di pagamento</i>) following to: <ul style="list-style-type: none"> ✓ automatic checks (<i>controlli automatizzati ex art. 36-bis d.P.R. n. 600/1973 e 54-bis d.P.R. 633/1972</i>) on 2018 tax returns (FY 2017) and, ✓ formal checks (<i>controlli formali ex art. 36-ter</i>) on 2017 and 2018 (FYs 2016 and 2017) tax returns, is extended for 1 year¹²³. ▪ Other specific work/financial incentives are provided but not strictly tax-related and then out of the scope of this report. 	
<p>Individual taxation incentives / measures</p>	<p>The “Relaunch” Decree provided also:</p> <ul style="list-style-type: none"> • With reference to equity investments in innovative startups and small and medium sized enterprises (SMEs) (both in case of direct investments and in case of indirect investments executed through collective investment undertakings in which the investment is predominantly made in these subjects) → the tax deduction (<i>detrazione</i>) recognized for the equity investment is increased to 50% (maximum investment deductible: € 100.000 for each fiscal period). The investment must be held for at least 3 years¹²⁴. • With reference to condominiums and real estate units used as primary residence → tax deductions (<i>detrazioni</i>) on specific expenses, incurred from 1 July 2020 to 31 December 2021, for the energy-efficient modernisation of buildings (<i>Ecobonus</i>), anti-seismic works (<i>Sismabonus</i>), installation of photovoltaics systems and electric vehicle charging columns, is increased to 110%¹²⁵ Note: subjects who incurred the abovementioned expenses (plus expenses for the recovery of the building heritage and of facades) in 2020-2021, may opt i) for a direct discount on the invoice by the supplier (in this case the supplier then recovers the amount in the form of a tax credit); or ii) to convert the tax deduction into a tax credit and, in case, assign it (e.g. to financial intermediaries)¹²⁶ • a 20% tax credit is granted to investors with respect to certain “qualified” capital injections (see above Section “Tax incentives”)¹²⁷ 	<p>“Relaunch” Decree (Law Decree 34/2020); “Liquidity” Decree (Law Decree n. 23/2020); “Cure Italy” Decree (Law Decree n 18/2020 converted into Law n. 27 on 29 April 2020)</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p>

¹²⁰ Art. 147 of Law Decree n. 34/2020

¹²¹ Art. 157 of Law Decree n. 34/2020

¹²² Art. 157, par. 2 of Law Decree n. 34/2020

¹²³ Art. 157, par. 3 of Law Decree n. 34/2020

¹²⁴ Aer. 38 of Law Decree n. 34/2020

¹²⁵ Art. 119 of Law Decree n. 34/2020

¹²⁶ Art. 121 of Law Decree n. 34/2020

¹²⁷ Art. 26 of Law Decree n. 34/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> • Optional revaluation of the tax cost of i) qualified and non-qualified participations in companies not listed on regulated markets and ii) building land and agricultural land, held as at 1 July 2020 by the payment of an 11% substitutive tax¹²⁸ <p>The “Liquidity” Decree provisions relating advance payments of CIT computed based on the “forecast method” (see above) applies also to individuals.</p> <p>A specific suspension of terms is provided relating the benefits granted to individuals with respect to the purchase of their “first house” (c.d. <i>benefici prima casa</i>)¹²⁹.</p> <p>The “Relaunch” Decree and the “Cure Italy” Decree provide further work/financial incentives and measures for individuals (bonus for workers, wage subsidies, indemnity for certain subjects, etc.), but not strictly tax-related and as such out of the scope of this report</p>	
International tax law		

¹²⁸ Art. 137 of Law Decree n. 34/2020

¹²⁹ Art. 24 of Law Decree n. 23/2020

2.25. JAPAN



Number of Covid-19 cases:	16.623
Existence of tax subsidies / measures:	Yes
Date of last update:	19/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		
International tax law		

- The government has announced that filing and payment due dates for individual income tax, individual consumption tax, and gift tax for 2019 will be extended to April 16, 2020.
- The government is presently working on a huge-scale fiscal spending package, while the Bank of Japan is expected to take additional monetary easing steps to ease the economic strain from the virus. Details have yet to be released.

2.26. LUXEMBOURG¹³⁰



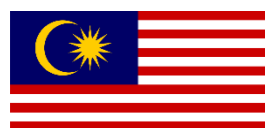
Number of Covid-19 cases:	3.993
Existence of tax subsidies / measures:	Yes
Date of last update:	12/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	All VAT credit balances of less than EUR 10k will be repaid by the indirect tax authorities. This should provide a small support with respect to the liquidity needs for about 20,000 Luxembourg-based enterprises.	Special regulation adopted as part of state of emergency
Suspension / extension of tax filings' terms	The filing deadline of the 2019 personal income tax returns (originally due by 31 March 2020) and the 2019 corporate income tax and municipal business tax returns (which also include the net wealth tax return at 1 January 2020) is postponed to 30 June 2020 (for corporate taxpayers, there has been for years a de facto tolerance period of several months, so that the postponement of the legal filing deadline should have a rather symbolic effect). The indirect tax authorities have announced that until further notice they would not levy penalties in case of late filing of VAT returns. In addition, they will not levy penalties for late filing (which would automatically lead to late payment) of subscription tax returns for Q1 2020, where the late filing is due to the Covid-19 circumstances.	Special regulation adopted as part of state of emergency
Suspension / extension of tax payments' terms	Taxpayers may request the cancellation of advance tax payments for income tax/corporate income tax and municipal business tax (but not net wealth tax) for Q1 and Q2 2020, in case of cash flow issues created by Covid-19. The request form is available online. The request should be systematically approved by the tax authorities. The measure applies to corporate taxpayers and to individual taxpayers who realise commercial income, income from agricultural or forestry activities or income from the professions (<i>professions libérales</i>). In addition, taxpayers who face cash flow issues because of Covid-19 may request a delay of up to 4 months (starting on the original payment deadline, which must fall after 29 February 2020) to pay the income tax/corporate income tax, municipal business tax and net wealth tax without being subject to late payment interest (normally 0.6%/month). At the end of the 4-month period, the taxes must be paid in full. The request form is available online. The request should be systematically approved by the tax authorities. The measure applies to corporate taxpayers and to individual taxpayers who realise commercial income, income from agricultural or forestry activities or income from the professions (<i>professions libérales</i>).	Special regulation adopted as part of state of emergency
Suspension / extension of tax controversies' terms	There is a suspension of terms for judicial proceedings before the civil and administrative courts. However, there is currently no suspension of the time limitation to file an objection with the director of the tax authorities (which is the mandatory first procedural step for litigations concerning direct tax matters).	Special regulation adopted as part of state of emergency
Others measures	Standard financial support measures are available. Same for the possibility to resort to "part-time unemployment" (State pays up to 80% of the salary of the people who are "part-time unemployed", within certain limits). A new bill of law should be coming to complement the instruments available to support enterprises and self-employed persons in case of exceptional and unforeseeable event having a national or international impact. The event must have an adverse effect on the economic activity of certain businesses, these businesses must encounter temporary financial difficulties and there must be a causal link between the event and these temporary financial difficulties. The government also asked the European Commission the possibility to grant aid up to EUR 800k and to give State guarantees to enterprises that wish to take bank loans. The European Commission has approved a EUR 300 million aid scheme. In addition, there are export support measures, as well as a suspension of late payment interest, penalties and forced recovery, with respect to the social security contributions. Small businesses (less than 9 employees) which were forced to suspend their activities get a EUR 5,000 non-repayable subsidy. Also, in coordination with some banks, the repayment of loans has been suspended. The State will also grant	Special regulation adopted as part of state of emergency

¹³⁰ With the contribution of Loyens & Loeff

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	guarantees on bank loans (for up to 85% of the loan) – both SMEs and large enterprises are eligible. Financial support measures were also implemented for self-employed people. Additional subsidies are contemplated as the economic impact of the crisis becomes more visible.	
Individual taxation incentives / measures	Minor support measures to incentivize individuals to maintain employment of house workers, e.g., cleaning ladies or persons employed for child care at home.	Special regulation adopted as part of state of emergency
International tax law	For cross-border commuters living in France, Belgium and Germany, the number of days during which they can work in their home country without triggering taxing rights for that country under the DTT is suspended due to the Covid-19 health emergency since mid-March.	Bilateral agreement with each respective country

2.27. MALAYSIA¹³¹



Number of Covid-19 cases:	7.417
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ¹³²	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<ul style="list-style-type: none"> Accelerated capital allowances will be granted, for a 2-year period, with respect to expenditure incurred on machinery and equipment, including information and communications technology (ICT). A special tax deduction of up to MYR 300,000 will be granted for expenditure incurred for renovation and refurbishment purposes. <p>Hotel operators will be exempt from the 6% service tax from March to August 2020.</p>	
Indirect tax incentives / measures	An import duty and sales tax exemption will be granted for the importation or local purchase of machinery and equipment used in port operations for a period of 3 years effective 1 April 2020.	
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	The monthly income tax instalment payments will be deferred for businesses in the tourism sector from April until September 2020. Furthermore, companies affected by the COVID-19 outbreak will be allowed to revise their estimation of tax payable for tax year 2020 accordingly without any penalty being imposed.	
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures	<ul style="list-style-type: none"> A special personal income tax relief of up to MYR 1,000 will be granted for expenditure incurred for domestic travel. <p>Employees will be given the option to reduce their contribution into the Employee Provident Fund (EPF) from 11% to 7% from 1 April 2020 to 31 December 2020.</p>	
International tax law		

- The government released a booklet containing details of the proposed tax measures.
- A 100% stamp duty exemption will be granted for loan agreements in relation to the restructuring and rescheduling of business loans between borrowers and financial institutions, on the condition that the original loan agreement was duly stamped. The exemption is granted from 1 March 2020 to 31 December 2020.
 - Businesses in the tourism industry, such as travel agencies, hoteliers and airlines, will be granted a deferment of their monthly tax instalments for 6 months from 1 April 2020 to 30 September 2020. Meanwhile, other businesses affected by current economic developments will be allowed to revise their monthly tax instalments earlier (i.e. in the third month of the instalment payment schedule, provided that the third month of the instalment payment schedule is in the year 2020).
 - Expenses incurred by companies to provide employees with disposable personal protective equipment (PPE) such as face masks are eligible for tax deduction; expenditure incurred for non-disposable PPE products is eligible for capital allowances.
 - Companies will be allowed to claim double deduction for tax purposes with regard to expenses incurred in having their employees attend approved training courses relating to the tourism industry, hotel operators or tour operating business.

¹³¹ Based on public available information gathered in coordination and with the support of Mayer Brown

¹³² Measure announced by the Government on February 27, 2020, with the details of the economic stimulus package 2020 in response to the recent COVID-19 outbreak and to address the economic risks associated with the outbreak.

- The special income tax relief of MYR 1,000 granted to individuals on expenses incurred for domestic tourism from 1 March 2020 to 31 August 2020 will be limited to accommodation expenses at registered premises and entrance fees to tourist attractions.
- International shipping companies established and operating in Malaysia will be granted double deduction on pre-commencement expenditure for setting up regional offices in Malaysia. This incentive application must be received by the Malaysian Investment Development Authority not later than 31 December 2021

2.28. MEXICO¹³³



Number of Covid-19 cases:	68.620
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments ¹³⁴	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms	Mexico City's local Government decided to extend the tax return filing terms to April 30, 2020. Such extension is only applicable in Mexico City (no other federal/local jurisdictions).	Suspension was not enacted through law or regulations but rather through agreement taken by the Mexico City's Executive Branch of Government. https://data.consejeria.cdmx.gob.mx/index.php/gaceta
Suspension / extension of tax payments' terms	Mexico City's local Government decided to extend tax payment terms to April 30, 2020. Such extension is only applicable in Mexico City (no other federal/local jurisdictions).	Suspension was not enacted through law or regulations but rather through agreement taken by the Mexico City's Executive Branch of Government https://data.consejeria.cdmx.gob.mx/index.php/gaceta
Suspension / extension of tax controversies' terms	The Mexican Supreme Court of Justice, as well as the federal authority in charge of Tax controversies (Federal Court of Administrative Justice), and Mexico City's Court of Administrative Justice, decided to suspend all their jurisdictional activities and terms from March 18, 2020 to April 19, 2020	Suspension was not enacted through law or regulations but rather through agreements taken during court sessions. https://www.dof.gob.mx/nota_detalle.php?codigo=5589708&fecha=18/03/2020 http://www.tjfa.gob.mx/pdf/secretaria_general_de_acuerdos/acuerdos_sala_superior/2020/SS-10-2020.pdf https://www.tjacdmx.gob.mx/index.php/inicio/1079-acuerdo_d%C3%ADas_no_laborales_covid19_tjacdmx
Others measures		

¹³³ With the contribution of Creel

¹³⁴ Mexican federal authorities have still not taken any tax measures regarding direct or indirect tax credits or incentives, nor have made any suspension or extension of tax filings or payment terms. Several Mexican business organizations, such as the COPARMEX (Mexican Confederation of Employers), already urged the Executive Branch of Government to implement the tax incentives and measures to reduce the economic impact of the pandemic; a official response is expected soon as we understand that the Ministry of Finance is already assessing various tax measures.

Type of tax subsidies / measures	Brief description & comments ¹³⁴	Reference to the relevant tax law / regulation
Individual taxation incentives / measures		
International tax law		

2.29. NETHERLANDS¹³⁵

	Number of Covid-19 cases:	42.778
	Existence of tax subsidies / measures:	Yes
	Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<p>Measures unemployment insurance contribution Per 1 January 2020, the lower unemployment insurance contribution is due by the employer for employees with an employment agreement for an indefinite period if the employment agreement has been captured on paper and has been signed by employer and employee. With regard to employees already employed for an indefinite period per 31 December 2019, the lower unemployment insurance contribution is due, if the employment agreement of these employees is captured on paper before 1 April 2020. The government extended this deadline to 1 July 2020.</p> <p>Additionally, the government will introduce a relief for cases in which employees with an employment agreement for an indefinite period will make more than 30% overtime due to the Coronavirus. Without this relief, the higher unemployment insurance contribution would be due by employees with retroactive effect. The government now approves for the lower contribution to apply during 2020.</p> <p>Special COVID-19 tax reserve For Dutch corporate income tax purposes, losses incurred in a respective year can be offset against profits from the preceding year and the six subsequent years. Provisional loss compensation (capped at 80%) with the preceding year is in principle possible when the tax return for the loss year is filed and the final tax assessment for the profit year has been issued (so-called provisional loss compensation). Final loss compensation can take place as soon as the final 2020 tax assessment has been issued. Hence, (provisional) compensation of a 2020 loss with a 2019 profit can take place in 2021, at the earliest.</p> <p>The Dutch government announced to eliminate this timing mismatch by allowing taxpayers to take into account the expected 2020 loss (insofar this loss relates to COVID-19) in their tax return for 2019 through the creation of a tax reserve with a maximum of the 2019 taxable profit excluding this COVID-19 tax reserve. By requesting a revised provisional 2019 corporate income tax assessment including such tax reserve, taxpayers can, if applicable, obtain a refund for financial year 2019.</p> <p>Increased 2020 budget for tax free employment costs Through the so-called 'tax free allowance' in the employment costs scheme, employers can provide tax free benefits in kind to employees. As of 1 January 2020, the tax free allowance is 1.7% for the first EUR 400,000 of the sum of wage and salary costs per employer and 1.2% for the excess. To mitigate the potential impact of COVID-19, the tax free allowance for 2020 for the first EUR 400,000 will be increased to 3%.</p>	Written communications, and legislative bills by Dutch government
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<p>Deferral of tax payment obligations and revision of provisional assessments The special deferral of tax payment and the revision of provisional tax assessments are existing arrangements of which the application will be temporarily simplified. In addition, these measures are boosted due to the simultaneously announced</p>	Written communications, and legislative bills by Dutch government

¹³⁵ With the contribution of Loyens & Loeff

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>reduction of both the recovery interest and the tax interest from rates of 4% and 8% respectively to a rate of 0.01% on an annual basis.</p> <p><i>Special deferral of tax payment obligations</i> Businesses facing liquidity issues as a result of the Coronavirus impact, can request a special deferral of payment obligations for corporate income tax, personal income tax, wage tax, value added tax and excise duties. The taxpayer needs to file a written request with the Dutch Tax Administration explaining in what manner the Coronavirus resulted in the payment inability. Under circumstances, a third party expert should substantiate the request, which can be an external consultant, an external financing party, a sector organization, or the accountant or financial adviser of the taxpayer. Such third party statement does not need to be filed at the same time as the request, but may be submitted within four weeks after submitting the request. The government will grant deferral upon receipt of the request, the substantive review will take place later.</p> <p>In case of a deferral for more than three months, such deferral will be withdrawn as soon as this is possible given the circumstances at that time (e.g. lockdown measures are mitigated or revoked). The Tax Collector may also require interim repayments during the extended deferral. If the extended deferral will be withdrawn, an appropriate payment arrangement will be offered to the taxpayer.</p> <p>Furthermore, the conditions of the external expert statement, required for a deferral of tax payment for more than three months if the tax due amounts to EUR 20,000 or more, have been outlined. The external expert will have to state that it is likely that: there are real liquidity issues at the moment of the request or shortly thereafter; and these liquidity issues are mainly caused by the COVID-19 crisis. In addition, the request needs to include a liquidity forecast that is plausible according to the external expert.</p> <p>The Tax Collector has the authority to offset unpaid taxes against any tax refunds he has to repay to the company, if payment problems of the company are known, for instance because of a notification of payment inability. It has been mentioned that for the duration of the deferral period, in principle no offsetting of tax refunds (apart from customs duties) will take place. Finally, it is explicitly mentioned that no deferrals will be granted if this would be against the interests of the Dutch state (e.g. in case of abuse).</p> <p><i>Reduction recovery interest rate to 0.01%</i> The recovery interest rate will be reduced from 4% to 0.01% on an annual basis. This measure will take effect on 23 March 2020 and will apply to all taxes due.</p> <p><i>No payment default penalty</i> The authorities will not impose penalties for not paying taxes in time. Imposed penalties for late payments will be reversed.</p> <p><i>Revised provisional 2020 tax assessments</i> Businesses that expect a lower or higher taxable profit for 2020 due to the Coronavirus impact can request a revised provisional corporate or personal income tax assessment for 2020. A refund will be provided if the revised tax assessment is lower than the taxes that have already been paid in the first months of 2020.</p> <p><i>Reduction tax interest rate to 0.01%</i> The tax interest rate will be reduced to 0.01% on an annual basis (currently 8% for corporate income tax and 4% for other taxes). As a result, the risk of tax interest due to a misjudged estimate of the expected taxable profit should be remote. The</p>	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>temporary rate reduction will be effective as of 1 June 2020 for all taxes except for personal income tax, for which it will be effective as of 1 July 2020.</p> <p><i>Deferral of energy tax and renewable energy surcharge</i></p> <p>The levy of energy tax and renewable energy surcharge will be temporarily deferred for with a usage of more than 10,000 kWh in electricity or 5,000 m3 in natural gas on a yearly basis. The measure is aimed at creating more liquidity for companies that use substantial amounts of electricity or gas, such as the floricultural industry. As energy tax and the surcharge are levied from the electricity sector (who on-charge it to the users), the government will discuss with the electricity sector how to make sure that this measure will effectively lead to more liquidity for the users.</p>	
<p>Suspension / extension of tax controversies' terms</p>		
<p>Others measures</p>	<p>New regulation compensation wage costs</p> <p>Effective immediately a new regulation (Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud) will replace the current reduction of working hours scheme. Businesses expecting a loss of turnover of at least 20% with effect per 1 March 2020 can apply to the UWV for a wage allowance (hereafter: the Wage Subsidy), that compensates wage costs (up to a maximum of 90% of the wage costs, the actual percentage depending on the loss of turnover) for a period of three months with the possibility to prolong for another three months (hereafter: the Subsidy Period).</p> <p>The Wage Subsidy is related to the expected loss of turnover. The following examples have been provided:</p> <ul style="list-style-type: none"> loss of turnover 100% → Wage Subsidy: 90% of the wage costs; loss of turnover 50% → Wage Subsidy: 45% of the wage costs; loss of turnover 25% → Wage Subsidy: 22.5% of the wage costs. <p>If a business already applied for the reduction of working hours scheme, this application will automatically be regarded as an application for the Wage Subsidy. These businesses will be asked to provide additional information. The UWV will provide an advance payment of 80% of the requested Wage Subsidy which enables businesses to continue the salary payments to their employees, subject to the declaration that no employees will be dismissed for economic reasons during the Subsidy Period.</p> <p>The Wage Subsidy can also be requested with regard to temporary employees, provided that they will also remain employed during the Subsidy Period. Temporary employment agencies can also apply for the Wage Subsidy. For larger requests, an auditor's report will be necessary.</p> <p>Other measures relating to financing</p> <p>The Dutch Government has announced (in the context of the corona virus) that it will expand the possibilities (and make the conditions more beneficial) for small to medium large enterprises to obtain a (partial) state guarantee on credit lines from financial institutions. In short, and if applicable, the government can guarantee 50% of a loan, with a minimum of EUR 1.5 million and up to 50 million per business. A specific guarantee arrangement will be introduced for enterprises in the agricultural sector.</p> <p>Funding will be provided to Qreditz, which is an organisation that provides micro credit lines to business that usually have difficulties attracting financing from banks (start ups and micro enterprises). With this funding, repayment obligations on existing credit lines will be suspended for six months, and all applicable interest rates reduced to 2%.</p>	<p>Written communications, and legislative bills by Dutch government</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Finally, the Dutch government has started discussions with the various municipalities to suspend the collection of tourism related taxes. Furthermore, compensation arrangements for affected business are currently being discussed within the government, to be subsequently put forward towards the European Commission for approval in the context of state aid.</p> <p>Allowance for affected entrepreneurs Dutch government has introduced an allowance for Dutch enterprises in specific sectors (ranging from single person enterprises to enterprises with a maximum of 250 employees), which amounts at a maximum to EUR 4,000. The allowance can be used freely. To be eligible (among others), a loss in revenue of at least EUR 4,000, and fixed costs amounting to EUR 4,000 should be expected by the enterprise for the period 16 March through 15 June 2020. Various sectors have been earmarked, mainly tied to the leisure, sports, personal hygiene, personal development and non-food retail industries.</p>	
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>	<p>Frontier workers For frontier workers, the Netherlands and Belgium and the Netherlands and Germany have agreed that days worked from home (in the home state), due to Covid-19, can be treated as days worked in the state where the employment would have been exercised, without the restrictions caused by Covid-19.</p>	<p>Written communications by the Dutch government</p>

2.30. NORWAY¹³⁶



Number of Covid-19 cases:	8.352
Existence of tax subsidies / measures:	Yes
Date of last update:	7/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	N/A	
Direct tax credits / incentives	<ul style="list-style-type: none"> Companies may set off losses in 2020 with up to NOK 30 million against net income in 2019 and 2018. Employer's social security contribution will be reduced with 4 percentage points related to work being performed in May and June 2020. The standard security contribution tax rate is 14.1 per cent. Temporary depreciation rules for certain investments (industry and shipping) 	
Indirect tax incentives / measures	<ul style="list-style-type: none"> Temporary cancellation of aviation duties until 31 October 2020. The special VAT rate for hotels and the transport sector etc. is reduced from 12 to 6 per cent until 31 October 2020. Temporary cancellation of CO₂ emission duties for certain industries 	
Suspension / extension of tax filings' terms	<ul style="list-style-type: none"> As a rule no. However, the tax authority will as a rule not levy coercive fine if tax filing deadlines are not met. 	
Suspension / extension of tax payments' terms	<ul style="list-style-type: none"> Temporary extension of payment of corporate taxes and duties with up to four months. 	
Suspension / extension of tax controversies' terms		
Others measures	<ul style="list-style-type: none"> Expansion of tax incentive scheme for start-up enterprises 	
Individual taxation incentives / measures	<ul style="list-style-type: none"> Postponed payment of wealth tax for the income year 2020 with one year if the net wealth tax for the business owner exceeds NOK 30,000. 	
International tax law		

¹³⁶ With the contribution of Advokatfirmaet BÅHR AS

2.31. PERU¹³⁷




Number of Covid-19 cases:	119.959
Existence of tax subsidies / measures:	Yes
Date of last update:	6/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>There are no special donation deductibility rules in the context of COVID-19. However, the Government has been empowered to legislate on the deduction of expenses for donations to be made within tax year 2020 so that, donations that may not be deducted within this tax year may be "carried over" during the following two years.</p> <p>There are general rules of deductibility of donations to certain entities expressly established in the Peruvian Income Tax Law. The deduction may not exceed ten percent (10%) of the business net income (after compensating losses).</p>	Article 37, literal x), of the Income Tax Law
Direct tax credits / incentives	NA	NA
Indirect tax incentives / measures	NA	NA
Suspension / extension of tax filings' terms	<p>Taxpayers which obtained net revenues from business activity (including other incomes) in 2019 for an amount up to 5000 UIT (approx. US\$ 6 MM):</p> <ul style="list-style-type: none"> - The term to file the annual income tax return has been extended. - The term to comply certain monthly tax obligations for periods March and April 2020 has been extended until June 2020, including the expiration dates for the declaration and payment (either in cash or instalments) of the ITAN (Temporary Net Assets Tax). This extension does not apply regarding: i) withholding tax on employees, ii) payment of social security and pensions; and, iii) monthly payroll filling. - The due date for filling the Sales and Income Registry and the Electronic Purchase Registry of January, February, March and April 2020, had been extended until June 2020. <p>Taxpayers which obtained net revenues from business activity (including other incomes) in 2019 for an amount between 2300 UIT (approx. US\$ 2.8 MM) and 5000 UIT (approx. US\$ 6 MM):</p> <ul style="list-style-type: none"> - The maximum delay dates for keeping books and records related to tax matters had been extended until June 4, 2020. - The deadlines for sending to the Tax Administration the informative declarations and communications of the Electronic Emission System, which originally expired between 3-31-20 and 4-30-20, had been extended until May 15, 2020. - The deadline for filing the Annual Declaration of Operations with Third Parties (DAOT), to expire between 3-31-20 and 4-30-20, has been extended until May 29, 2020. <p>Taxpayers which obtained net revenues from business activity (including other incomes) in 2019 for an amount up to 2300 UIT (approx. US\$ 2.8 MM):</p> <ul style="list-style-type: none"> - The term to comply with the monthly tax obligations for the period February 2020 has been extended. This extension does not apply regarding: i) withholding tax on employees, ii) payment of social security and pensions; and, iii) monthly payroll filling. - The maximum delay dates of the Sales and Income Registry and the Electronic Purchase Registry corresponding to the month of February 2020 had been extended. - The maximum delay dates for keeping books and records related to tax matters had been extended until June 4, 2020, as well as the maximum delay of books and/or records, which originally expired between the months of March and May 2020. 	Resolution No. 055-2020/SUNAT Resolution No. 061-2020/SUNAT Resolution No. 065-2020/SUNAT Resolution No. 269-2020/SUNAT Directive Council Resolution 31-2020-OS /CD

¹³⁷ With the contribution of Estudio Rodrigo

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> - The deadlines for sending to the Tax Administration the informative declarations and communications of the Electronic Emission System, that originally expired between 3-16-20 and 4-30-20, are extended until May 15, 2020. - The deadline for filing the Annual Declaration of Operations with Third Parties (DAOT), to expire between 3-31-20 and 4-30-20, has been extended until May 29, 2020. <p>The term to declare and pay the Contribution to OSINERGMIN (to be due on the last business day of March) has been extended until the last business day of April 2020.</p>	
Suspension / extension of tax payments' terms	The same dates and provisions of the previous point apply.	
Suspension / extension of tax controversies' terms	<p>The term applicable to tax procedures (i.e. those subject to positive or negative silence) which were in process, shall be suspended for 30 business days, as from March 16, 2020. Said suspension does not apply regarding those procedures which pronouncement from the authority was pending of notification.</p> <p>Likewise, the start and processing deadlines for administrative procedures and procedures of any kind, including those regulated by laws and special provisions, that are not included in the previous paragraph, which are subject to deadlines, are suspended for 30 business days, as from March 21, 2020.</p> <p>Tax audits and citations already scheduled by the Tax Administration are also suspended until April 12, 2020.</p>	Emergency Decree No. 26-2020 Emergency Decree No. 29-2020
Others measures	<ul style="list-style-type: none"> - Taxpayer are allowed to request VAT refund (i.e. balance in favour of the exporter's benefit, known in Peru as "<i>saldo a favour del exportador</i>") through virtual forms, provided the request is submitted as from March. - Companies will not have to wait until April to request the release of their drawdown funds (i.e. "<i>fondos de libre disposición de la cuenta de detracciones del IGV</i>"), being able to do so starting Monday, March 23 (applies regarding the funds accumulated until March 15 in the abovementioned bank account (i.e. "<i>cuenta de detracciones</i>"). - New payment dates are established for deferrals (i.e. "<i>aplazamiento</i>") and / or instalments (i.e. "<i>fraccionamiento</i>") or deferrals with instalments or refinancing of the tax debt for internal taxes granted until March 15, 2020. - The deadline for issuing "authorized documents" (i.e. "<i>documentos autorizados</i>" which are a special kind of invoices) without using the Electronic Issuance System has been extended until May 31, 2020. - Taxpayers are allowed to request the refund of the Selective Consumption Tax (ISC). This applies to carriers that provide the service of regular land transport of people nationwide and / or the service of public land transport of loads. - Companies that perform the acquiring role in credit and / or debit card payment systems and operators and other parties, other than the operator, from irregular companies, consortiums, joint ventures or other forms of business collaboration contracts, may issue the authorized documents until May 31, 2020. - The Tax Administration will not sanction breach of formal tax obligations incurred by tax debtors during the State of National Emergency declared by the D.S. 044-2020-PCM, for those infractions committed or detected between 3- 16-2020 and 3-18-2020. 	Resolution No. 166-2009/SUNAT Supreme Decree No. 044-2020-PCM Supreme Decree No. 051-2020-EF Resolution No. 008-2020/SUNAT Resolution No. 058-2020/SUNAT Resolution No. 060-2020/SUNAT Resolution No. 065-2020/SUNAT Resolution No. 067-2020/SUNAT
Individual taxation incentives / measures	Individuals shall will benefit from automatic refund of taxes paid or withheld in excess. Regarding payments or withholding taxes in excess related to income tax on working income for fiscal year 2019, said reimbursement shall take place in a shorter term than the one established by law (i.e. normally said reimbursement takes place "as from" the first business day following the expiration term to file the annual income tax return).	Emergency Decree No. 031-2020
International tax law		

2.32. POLAND¹³⁸

	Number of Covid-19 cases:	22.303
	Existence of tax subsidies / measures:	Yes
	Date of last update:	27/05/2020

Type of tax subsidies / measures	Brief description & comments ¹³⁹	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>PIT and CIT deduction for donations (in cash or in kind) made in 2020 to counteract COVID-19 for entities engaged in medical activities and entered on the list of Material Reserves Agency and Central Sanitary and Anti-Epidemic Reserves Base for the purposes of its statutory activity.</p> <ul style="list-style-type: none"> The indicated deduction may be made from income in the annual income tax return or when calculating advances during the year. Donations granted (i) by 30 April are 200% deductible, (ii) in May are 150% deductible, (iii) from 1 June to 30 September are 100% deductible. 	Art. 3, 4 and 11 of Anti-Crisis Shield Act
Direct tax credits / incentives	<p>The possibility of municipal councils introducing, for a part of 2020, real estate tax exemptions related to business activities for groups of entrepreneurs whose cash flow has deteriorated due to negative economic consequences of COVID-19.</p> <p>Waiver up to 50% of unpaid social and healthcare contributions and other contributions related thereto like contributions for bridging fund for March-May 2020 on motion submitted by contribution payer who as of 29 February 2020 registered from 10 up to 49 insured persons (for example employees).</p>	<p>Art. 1 of Anti-Crisis Shield Act</p> <p>Art. 68 of Additional measures due to virus SARS-CoV-2 expansion Act</p>
Indirect tax incentives / measures	<p>Possibility of retrospective settlement of CIT and PIT losses (tax loss carried back).</p> <ul style="list-style-type: none"> CIT taxpayers will be able to utilise tax loss generated in 2020 against income generated in 2019. The maximum tax loss to be carried back is PLN 5 million. Tax loss carried back rule will apply under the condition that revenues in 2020 will be lower by at least 50% comparing to previous tax year. Possible surplus of the tax loss incurred in 2020 over PLN 5 million should be deducted in subsequent years on general terms (rules on tax loss carried forward). Similar rules will be implemented in PIT. <p>Excluding the application of regulations in income taxes concerning so-called bad debts.</p> <ul style="list-style-type: none"> Bad debts relief (aimed to secure position of creditors) requires from debtors to include in their calculation of CIT and PIT liability (including tax advances) value of debts which has not been settled within 90 days from the date of its payment deadline. Announced measures provide suspension of bad debts relief application for debtors whose revenue earned in a given settlement period in relation to the same period in 2019 will decrease by at least 50%. <p>The possibility of waiving simplified advances in 2020 and calculating monthly advances on current income.</p> <ul style="list-style-type: none"> The right to waive simplified advance payments (i.e. 1/12 of due tax declared in tax return submitted for preceding tax year) during the year will be granted to so-called small taxpayers (i.e. CIT and PIT taxpayers whose value of the sales revenue together with the amount of value added tax did not exceed the equivalent of EUR 2,000,000 in the previous tax year). Taxpayers who waive simplified advance payments for the period from March to December 2020 will calculate monthly advance payments on current income. <p>Possibility of single write-offs from initial value of assets acquired for production of goods aimed to combating with COVID-19. However, assets need to be recorded in fixed assets register in 2020.</p>	Art. 3 and 4 of Anti-Crisis Shield

¹³⁸ With the contribution of Wardyński & Partners

¹³⁹ Legislative measures presented here were announced on 21 March and are expected to be adopted in upcoming days

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Possibility of deduction within the tax year of eligible expenses born for R&D activity focused on production of goods aimed to combating with COVID-19.</p> <p>Possibility of application of IP regime (5% income tax) to revenues generated from qualified intellectual property rights aimed to combating with COVID-19.</p>	
Suspension / extension of tax filings' terms	<p>Deadline extension until 31 May 2020 for the submission of 2019 annual tax returns for CIT and PIT taxpayers and for payment of final income tax.</p> <ul style="list-style-type: none"> • Deadline extension concerns also ORD-U and IFT-1/IFT-1R forms related to reporting of cooperation with non-residents. • The same deadline extension applies to the solidarity fee. <p>Deadline extension until 30 September 2020 for the submission of transfer pricing information (TP-R) for entities whose tax year or financial year started after 31 December 2018 and ended before 31 December 2019.</p> <p>Deadline extensions with respect to transfer pricing: (i) submission of declaration on preparation of a local file until 30 September 2020, (ii) master file until 31 December 2020; both extensions apply to entities whose tax year or financial year started after 31 December 2018 and ended before 31 December 2019.</p>	<p>Art. 4 of the Anti-Crisis Shield Act</p> <p>Art. 68 of Additional measures due to virus SARS-CoV-2 expansion Act</p>
Suspension / extension of tax payments' terms	<p>Deadline extension until 31 May 2020 for CIT taxpayers for final income tax payment for 2019.</p> <p>Deadline extension until 20 July 2020 for payment of the minimum commercial property tax for March-May 2020.</p> <ul style="list-style-type: none"> • Minimum commercial property tax is an income tax imposed on commercial properties with initial value exceeding PLN 10M. The tax amounts to 0.035% per month of the initial value of the building determined in accordance with the regulations on tax depreciation and is imposed on the surplus over PLN 10M. Taxpayers who (1) in a given month in the period March-May 2020 suffered negative economic consequences due to coronavirus and (2) (a) whose revenues in a given month in relation to the corresponding period of the previous tax year will be lower by at least 50% and (b) in the case of taxpayers who started operations in 2019 in relation to the average monthly revenues from real estate obtained in that year, will be able to pay commercial real estate tax for March-May 2020 until 20 July 2020. The average monthly income from real estate is understood as the quotient of income from real estate earned in the year when the activity started and the number of months in which this activity was conducted. • The minimum commercial real estate tax can be paid later (in July) also by those taxpayers (1) who in a given month in the period March-May 2020 suffered negative economic consequences due to coronavirus and (2) (a) in 2019 applied a form of taxation where no revenues were established (the so-called tax card), (b) started the business activity in the fourth quarter of 2019 and did not generate any revenue from real estate in that period or (c) started the business activity in 2020. <p>Deadline extension for taxpayers to transfer personal income tax advances collected in March and April.</p> <ul style="list-style-type: none"> • PIT remitters (mostly employers) who have suffered negative economic consequences may pay advances on PIT collected in March and April 2020 until 1 June 2020. <p>Possibility of postponement of the tax payment, for payment of tax in instalments or for tax liability to be waived if it is justified taxpayer's material interest or public interest, the taxpayer.</p>	<p>Art. 4 of the Anti-Crisis Shield Act</p> <p>Art. 3 of Anti-Crisis Shield Act</p> <p>Art. 67a-67e of Tax Ordinance Act</p>
Suspension / extension of tax controversies' terms	<p>Since 16th May 2020 the rule pursuant to which there is no commencement of the run of procedural and judicial deadlines or, in the case of one already in progress, its suspension for the period of the declared COVID-19 epidemic threat or state of epidemic, was excluded.</p>	<p>Art. 68 of act amending acts in the field of protective measures due to the spread of the SARS-CoV-2 virus</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> Deadlines that have not started due to the regulations related to COVID-19, start running after 23rd May 2020 (7 days from 16th May 2020). Deadlines that have been suspended due to regulations related to COVID-19, run after 23rd May 2020 (7 days from 16th May 2020). <p>Possibility of suspending administrative enforcement proceedings of financial receivables.</p> <ul style="list-style-type: none"> The Council of Ministers may suspend administrative proceedings for the enforcement of financial receivables by a resolution, specifying the territorial scope of the suspension, the groups of debtors in relation to whom the proceedings are suspended and the period for which the suspension is to take place, taking into account the duration of the epidemic emergency or state of epidemics and its effects. <p>Exemption from income tax on a guarantee support received in 2020 and subsidies for loans, as well as subsidies for interest on loans granted under the “Anti-Crisis Shield Act”.</p> <p>Temporary waiver of the extension fee for dividing into instalments or postponing the payment of taxes and tax arrears, which are state budget revenues, on the basis of applications submitted during the state of the epidemic and 30 days thereafter.</p> <p>Temporary waiver of the extension fee which is usually due for extension of the payment deadline or division into instalments of social security contributions due for the period from 1 January 2020, on the basis of applications submitted during the state of the epidemic and 30 days thereafter.</p> <p>Possibility of extending payment dates of real estate tax instalments payable in April, May and June 2020 not longer than until 30 September 2020, on the basis of an order of the head of the municipality (local administrator, mayor).</p> <p>Retail tax postponement until 1 January 2021.</p>	<p>Art. 1 of Anti-Crisis Shield Act</p>
<p>Others measures</p>	<p>Exemption from income tax on a guarantee support received in 2020 and subsidies for loans, as well as subsidies for interest on loans granted under the “Anti-Crisis Shield Act”.</p> <p>Temporary waiver of the extension fee for dividing into instalments or postponing the payment of taxes and tax arrears, which are state budget revenues, on the basis of applications submitted during the state of the epidemic and 30 days thereafter.</p> <p>Temporary waiver of the extension fee which is usually due for extension of the payment deadline or division into instalments of social security contributions due for the period from 1 January 2020, on the basis of applications submitted during the state of the epidemic and 30 days thereafter.</p> <p>Possibility of extending payment dates of real estate tax instalments payable in April, May and June 2020 not longer than until 30 September 2020, on the basis of an order of the head of the municipality (local administrator, mayor).</p> <p>Retail tax postponement until 1 January 2021.</p>	<p>Art. 1 of Anti-Crisis Shield Act</p>
<p>Individual taxation incentives / measures</p>	<p>No specific solutions for individual not running business activity except for extension of deadlines. For individuals running business activity, most of the measures apply.</p>	
<p>International tax law</p>		

2.33. ROMANIA¹⁴⁰



Number of Covid-19 cases:	18.429
Existence of tax subsidies / measures:	Yes
Date of last update:	26/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<p>Annual corporate income tax filling and payment system</p> <p>All taxpayers which apply the annual corporate income tax filling and payment system, with quarterly advance payments, can make quarterly advance payments for 2020, at the amount resulting from the calculation of the current quarterly corporate tax and not based on the initial estimation of the annual corporate income for fiscal year 2020 as provided by the general rule. The calculation method shall be maintained for all quarters of fiscal year 2020.</p> <p>Incentive for payment of corporate income tax/ microenterprise income tax in due time</p> <p>Taxpayers which are subject to corporate income tax or microenterprise income tax benefit from a 10% deduction from the total amount of corporate income tax/ microenterprise income tax due for the second and third quarter of 2020, if they pay the respective tax no later than July 25, 2020 for the second quarter and October 25, 2020 for the third quarter..</p> <p>Specific tax for certain activities</p> <p>Taxpayers subject to the specific tax for hospitality related activities (HORECA) for the year 2020, do not owe such tax for the period in which they totally or partially interrupt their activity, during the state of emergency.</p> <p>Bonus for medical professionals exposed to Covid-19</p> <p>Medical professionals, including the auxiliary personnel, exposed to Covid-19 benefit from a gross monthly bonus of RON 2,500 (approx. EUR 500), during the state of emergency. The bonus shall not be included in the monthly computation basis of social security contributions (namely pensions and health related social security contributions, as well as labour insurance contribution).</p> <p>Benefits in kind</p> <p>During the state of emergency, the benefits in kind granted to natural persons who earn incomes from salaries and assimilated to salaries as a result of occupying positions considered essential by the employer and which are in preventive</p>	<p>Government Emergency Ordinance no. 29/2020 regarding certain economic and fiscal-budgetary measures;</p> <p>Government Emergency Ordinance no. 33/2020 regarding certain fiscal measures and the modification of some normative acts;</p> <p>Government Emergency Ordinance no. 43/2020 for the approval of certain support measures settled from European funds, as a result of the spread of covid-19 coronavirus, during the state of emergency;</p> <p>Government Emergency Ordinance no. 48/2020 regarding certain financial-fiscal measures;</p> <p>Press release issued by the Government..</p> <p>Law no. 54/2020 for the approval of Government Emergency Ordinance no. 33/2020 regarding certain fiscal measures and the modification of some normative acts;</p>

¹⁴⁰ With the contribution of bpv Grigorescu Ștefănică

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>isolation at the workplace or in specially dedicated areas where persons from outside do not have access, are exempt from income tax and social security contributions payment, for a period established by the employer.</p> <p>Incentives granted from the salary fund</p> <p>The incentives granted by the employer from the salary fund, during the state of emergency, to employees, as a result of carrying out activities that involve direct contact with citizens and are subject to the risk of infection with COVID-19 do not fall within the monthly computation basis of the social security contribution and health security contribution, respectively of the labor insurance contribution. The employer determines through a decision who are the beneficiaries and which are the activities that involve direct contact with citizens.</p> <p>Fiscal facilities regarding the payment of rent</p> <p>Income from the assignment of use of the real estate obtained on the basis of lease / sublease or usufruct contracts is not considered taxable income and is not included in the annual threshold of health related social security contributions computation. In case of taxpayers which are subject to corporate income tax or microenterprise income tax, the income from the assignment of use of immovables obtained on the basis of the lease / sublease contracts or usufruct are taxable only in proportion of 80%. These tax relief measures are applicable until 31 December 2020 at the latest.</p> <p>Personal income tax return</p> <p>Freelancers and other individuals who submit the personal income tax return by 30 June 2020 and pay the fiscal debts referred to in said statement by this date benefit from certain incentives.</p>	<p>Government Emergency Ordinance no. 69/2020 for the amendment and completion of Law no. 227/2015 on the Fiscal Code, as well as for the establishment of certain fiscal measures;</p> <p>Law no. 62/2020 on the application of rent payment facilities for the emergency period.</p>
<p>Indirect tax incentives / measures</p>	<p>Clawback tax</p> <p>.</p> <p>The value of the clawback tax for certain medicines is now of 25%, 15% or 20% of the value related to the centralized consumption of such medicines, communicated by the National Health Insurance House, in accordance with the law.</p> <p>Registration for value added tax (VAT) purposes</p> <p>Requests for VAT registration purposes which were submitted and unsolved until 14 May 2020 are currently solved without being subject to the analysis of the fiscal risk assessment criteria.</p> <p>Romanian companies registered for VAT purposes shall be assessed from the fiscal risk perspective after such registration.</p> <p>Exemption from VAT to customs bodies</p> <p>During the state of emergency in Romania and 30 days after its cessation (namely until 14 June 2020), importers of medicine, protective equipment, protective mask production machines, other medical devices or medical equipment and</p>	<p>Government Emergency Ordinance no. 33/2020 regarding certain fiscal measures and the modification of certain normative acts;</p> <p>Commission Decision (EU) 2020/491 as of 3 April 2020 on relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of the COVID-19 outbreak during 2020;</p> <p>Press release of the National Agency for Fiscal Administration of March 26, 2020;</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>sanitary equipment to be used in the prevention, limitation, treatment and control of COVID-19, which are registered for VAT purposes, are not required by the customs authorities to pay VAT for such imports.</p> <p>Exemption from customs duties and VAT</p> <p>The goods which cumulatively meet the following conditions are exempt from custom duties and VAT when imported into Romania, between 30 January 2020 and 31 July 2020, with the possibility of extension of deadline: (i) the goods are distributed free of charge or made available free of charge to persons affected by or at risk from COVID-19 or involved in combating the COVID-19 outbreak, (ii) the goods are not used for any purpose other than to combat the effects of this outbreak and (iii) the goods are released for free circulation by or on behalf of state organizations including state bodies, public bodies and other bodies governed by public law or by or on behalf of organizations approved by the competent authorities in Romania. The list containing the goods which are exempt from custom duties and VAT are provided by law.</p> <p>Phythanropic organizations authorized by ANAF (through its subordinated units) may benefit from such an exemption based on applications submitted in this respect and provided that they do not register at the submission date any outstanding fiscal or budgetary debts and declare that meet the conditions laid down in Commission Decision (EU) 2020/491 for the application of the exemption.</p> <p>Exemption from VAT on delivery of goods to associations and foundations</p> <p>Medicines, protective equipment, other medical devices or equipment and sanitary materials that may be used in the prevention, limitation, treatment and control of COVID-19, expressly provided by law, are exempted from VAT on delivery to associations and foundations, provided that the purchased goods used by the associations and foundations to combat COVID-19 or donated to other entities which use such goods for the same purpose.</p> <p>VAT reimbursement</p> <p>The National Agency for Fiscal Administration carries out campaigns at national level among the taxpayers that have requested VAT refunds, in order to rapidly prepare the documents necessary for the reimbursement procedure.</p> <p>During the state of emergency and 30 days after its cessation (namely until 14 June 2020), the VAT is reimbursed by the central fiscal body with subsequent control, except for the cases provided by law.</p>	<p>Government Emergency Ordinance no. 48/2020 regarding certain financial-fiscal measures;</p> <p>Order no. 1926/2020 for the implementation of Commission Decision (EU) 2020/491 of 3 April 2020 on relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of the COVID-19 outbreak during 2020;</p> <p>Government Emergency Ordinance no. 69/2020 for the amendment and completion of Law no. 227/2015 on the Fiscal Code, as well as for the establishment of certain fiscal measures;</p> <p>Government Emergency Ordinance no. 70/2020 regarding the regulation of some measures, starting with May 15, 2020, in the context of the epidemiological situation determined by the spread of the SARS-CoV-2 coronavirus, for the extension of some terms, for the amendment and completion of Law no. 227/2015 on the Fiscal Code, of the National Education Law no. 1/2011, as well as other normative acts;</p> <p>Law no. 53/2020 on the approval of the Government Emergency Ordinance no. 85/2019 for completing the Government Emergency Ordinance no. 77/2011 on the establishment of contributions for the financing of health expenses.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Suspension / extension of tax filings' terms</p>	<p>The deadline for filing the annual financial statements for 2019, respectively the annual accounting reporting completed on December 31, 2019, by companies, public institutions, other legal entities and their subsidiaries without legal personality, is postponed until July 31, 2020.</p>	<p>Norm no. 25/2020 for the deferral of deadlines regarding the annual financial statements from the Norm of the Financial Supervisory Authority no. 7/2017 regarding the drafting and submission of the individual annual financial statements of the entities from the private pension system;</p> <p>Government Emergency Ordinance no. 48/2020 regarding certain financial-fiscal measures.</p>
<p>Suspension / extension of tax payments' terms</p>	<p>The deadline for payment of first installment of the taxes on buildings, lands and means of transport is extended for all taxpayers from 31 March 2020 until 30 June 2020. The deadline for benefiting from a deduction of the entire amount in case of full tax payment in advance is extended accordingly until 30 June 2020.</p> <p>The term for redirection of a percentage of the annual tax due for the non-profit and cult entities has been prolonged from 25 May to June 30, 2020.</p>	<p>Government Emergency Ordinance no. 29/2020 regarding certain economic and fiscal-budgetary measures;</p> <p>Government Emergency Ordinance no. 69/2020 for the amendment and completion of Law no. 227/2015 on the Fiscal Code, as well as for the establishment of certain fiscal measures.;</p>
<p>Suspension / extension of tax controversies' terms</p>		
<p>Others measures</p>	<p>Suspension of interests and late payment penalties</p> <p>Interest and late payment penalties for tax obligations due on 21 March 2020 and not paid until the cessation of emergency measures (<i>i.e.</i> within 30 days from the end of the state of emergency) shall not be calculated and due by any taxpayer. These obligations are not considered to be outstanding tax liabilities.</p> <p>In case of rechedules of payment of fiscal debts, interest and penalties are not calculated and due for late payment of installments during the state of emergency and 30 days after its cessation. During the same period, the conditions for maintaining the validity of the payment installments granted according to the law are suspended.</p> <p>Statute of limitation</p>	<p>Presidential Decree no. 195/2020 declaring State of Emergency in Romania;</p> <p>Government Emergency Ordinance no. 29/2020 regarding certain economic and fiscal-budgetary measures;</p> <p>Government Emergency Ordinance no. 37/2020 on granting facilities for credits granted by credit institutions</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>The statute of limitation for the right of the fiscal body to establish fiscal debts and to request enforcement, as well as that of the (tax)payer to request the refund of fiscal debts, is suspended or does not start during the state of emergency, as well as 30 days after its cessation (namely until June 14, 2020).</p> <p>Budgetary debts enforcement</p> <p>The measures regarding enforcement by garnishment summons or capitalization of goods at auction, of the budgetary debts of taxpayers, are suspended or are not initialized, except for the enforcements in case of recovery of the budgetary debts established by a court decision pronounced in criminal matters.</p> <p>Also, the measures regarding enforcement by garnishment of the budgetary, fiscal, financial and commercial debts which apply to the monthly rights paid through the territorial houses of pensions are suspended or are not initialized.</p> <p>Restructuring of outstanding budgetary obligations</p> <p>The deadline for requesting the restructuring of outstanding budgetary obligations, including ancillary obligations, of legal entities (except for public institutions and administrative-territorial units), natural persons and entities without legal personality is extended until 30 October 2020. Initially, the debtor had to notify the fiscal body of the intention to restructure the budgetary obligations between August 8 and October 31, 2019, as well as between February 1 and March 31, 2020 and to request the restructuring until July 31, 2020.</p> <p>SMEs support program</p> <p>The Ministry of Public Finance implemented a program to support SMEs in order to mitigate the effects of COVID-19 outbreak, by guaranteeing credits and subsidizing the interest for such financing.</p> <p>Facilities for credits granted by credit institutions and non-banking financial institutions</p> <p>Individuals and legal entities which are part in credit or leasing contracts with credit institutions or non-banking financial institutions can request the suspension of rates, interest and commissions reimbursement under certain conditions, until 15 June 2020, for a period of up to 9 months but no later than December 31, 2020, provided that they are directly or indirectly affected by the COVID-19 outbreak.</p> <p>Suspension of financing contracts</p> <p>The beneficiaries of the European funds affected by the adoption of the emergency measures provided for in the Decree may decide, together with the managing authorities/ intermediary bodies, to suspend the financing contracts concluded according to the law.</p> <p>Deferred payment of utilities and rent</p>	<p>and non-bank financial institutions to certain categories of debtors;</p> <p>Order no. 1780/2805/2020 for establishing the value of the indexed amount to be granted in the form of cultural tickets for the calendar period between April 1, 2020 and July 31, 2020;</p> <p>Government Decision no. 285/2020 amending and supplementing Government Decision no. 1.235/2010 regarding the approval of the of the National electronic system of online payment of taxes and taxes using the bank card;</p> <p>Press release of the National Agency for Fiscal Administration of April 10, 2020;</p> <p>Presidential Decree no. 240/2020 regarding the extension of the state of emergency in Romania;</p> <p>Government Emergency Ordinance no. 48/2020 regarding certain financial-fiscal measures;</p> <p>Government Emergency Ordinance no. 53/2020 on the modification and completion of certain normative acts on social protection measures caused by the spread of SARS-CoV-2 coronavirus;</p> <p>Government Emergency Ordinance no. 63/2020 for the organization and carrying out of public information campaigns in the context of the</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Legal entities whose activity has been interrupted or whose revenues have decreased by at least 15% in March 2020 compared to the average of the last calendar year and natural persons who are directly or indirectly economically affected during the state of emergency may postpone upon request, without payment of interest and penalties, the payment of rent for the use of immovable properties as headquarters, lucrative facilities, homes.</p> <p>Support allowance</p> <p><i>According to certain fiscal measures envisaged, individuals and families with a high risk of social vulnerability will be able to benefit from a support allowance for the payment of rent of their residential immovables, of maximum RON 750 per month. The value of the support allowance cannot exceed the value of the rent.</i></p> <p>Media and advertising</p> <p>Taking into account that, as a result of the slowdown in economic activity, most of the institutions working in the field of media and advertising have reduced their revenues by 40% to 80%, the Government decided to conclude services contracts with media/advertising services providers in order to carry out, for a period of four months, starting with 15 May 2020, paid public information campaigns in television and broadcasting programs, printed newspapers, magazines, periodicals, online media and advertising media placed in cities.</p> <p>Value of cultural vouchers</p> <p>For the period between 1 April 1 and 31 July 2020, the value of cultural vouchers granted monthly is of maximum RON 160 (approx. EUR 35) and the value of such vouchers granted occasionally is of maximum RON 320 / event (approx. EUR 70).</p> <p>Expiring documents</p> <p>The validity of documents issued by the public authorities, including tax authorities, which expired during the state of emergency in Romania is extended. The documents for which the validity may be extended can be exchanged within 90 days from the cassation of the state of emergency.</p> <p>Mobility restrictions</p> <p>During the state of alert in Romania, individuals are forbidden to leave their home city unless for justified reasons.</p> <p>Online payment of taxes</p> <p>Taxpayers such as self-employed persons, legal entities and entities without legal personality will be able to make online payments regarding the obligations due to the state consolidated general budget, through a special virtual payment desk managed by the national tax authority. Until now, this online platform was only accessible to natural persons for the sole purpose of payment of taxes and duties.</p>	<p>epidemiological situation caused by the spread of COVID-19;</p> <p>Law no. 62/2020 on the application of rent payment facilities for the emergency period.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>Registration of individuals within the virtual private space (SPV)</p> <p>Natural persons who do not hold a qualified digital certificate and want to register in the virtual private space (SPV), can currently opt for the electronic authentication, based on certain documents issued by the Ministry of Public Finance and/or the National Agency for Fiscal Administration, without having to go personally to the tax authority's headquarters for authentication.</p> <p>Fiscal amnesty</p> <p>Fiscal amnesty has been granted for interests, penalties and other accessories due by the taxpayers who will pay the main budgetary debts until December 15, 2020..</p>	
<p>Individual taxation incentives / measures</p>	<p>Quarantine indemnities</p> <p>The quarantine indemnity is granted to the insured persons who are prohibited from continuing the activity due to a contagious disease, during the period established by the certificate issued by the public health directorate. The gross monthly amount of the quarantine indemnity represents 75% of the average of the gross monthly incomes from the last 6 out of the 12 months, up to the limit of 12 gross minimum wages per country per month capped at RON 20,070 (approx. EUR 4,150) per month and is fully covered by the Unique National Fund of Health Insurances. The indemnity is subject to social security contributions.</p> <p>Indemnities for children supervision</p> <p>Paid days off are granted to one of the parents for the supervision of the children, in case of suspension of the courses or the temporary closing of the education institutions, due to extreme causes. The parent is entitled to an indemnity for each day off - 75% of the base salary corresponding to a working day, capped at 75% of the gross average wage-earning used for the foundation of the state social insurance budget. The indemnity is paid by the employer and is subject to income tax and social security contributions payment, according to the legal provisions. The net value of the indemnity is capped at RON 2,381 (approx. EUR 500) per month. Employers may only claim the settlement of the amounts representing the net indemnity received by the parent.</p> <p>The indemnity is granted to employees also during the period immediately following the cessation of the state of emergency, during the temporary closure of schools, until the end of the school lectures of the second semester of school year 2019/2020.</p> <p>Insertion incentives</p> <p>Employees benefit from insertion incentives (granted to employees who return to work from child care leave prior to the child's reaching the age of 2 or 3 years in the case of the child with disabilities) for an uninterrupted period of 90 days if, as of 21 March 2020, are in one or more of the following situations: (i) they benefit from medical leave; (ii) they benefit from days off for child supervision; (iii) the employer filed a criminal complaint against the employee or the employee was sent to</p>	<p>Government Emergency Ordinance no. 158/2005 regarding the leaves and the social health insurance indemnities;</p> <p>Law no. 19/2020 on granting days off to parents for the supervision of children in the case of temporary closing of education institutions;</p> <p>Government Emergency Ordinance no. 30/2020 for the modification and completion of certain normative acts, as well as for establishing measures in the field of social protection in the context of the epidemiological situation determined by the spread of the SARS-CoV-2 coronavirus;</p> <p>Government Emergency Ordinance no. 32/2020 on the modification and completion of the Government Emergency Ordinance no. 30/2020 for the modification and completion of certain normative acts, as well as for establishing measures in the field of social protection in the context of the epidemiological situation determined by the spread of the SARS-CoV-2 coronavirus and for</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>court for criminal acts incompatible with the position held, until the decision of the court remains final; (iv) suspension or termination of their employment or service relationship, as a result of the state of emergency being established.</p> <p>Technical unemployment</p> <p>During the state of emergency, for the period of temporary suspension of the individual employment contracts, at the initiative of the employer, as a result of the effects produced by the COVID-19, the employees may receive indemnities which are set at 75% of the base salary corresponding to the occupied jobs and are supported by the unemployment insurance budget, but not more than 75% of the gross average wage-earning used for the foundation of the state social insurance budget, providing that certain requirements are met. The indemnity is subject to income tax and social security contributions payment. The net value of the indemnity is capped at RON 2,381 (approx. EUR 500) per month. The technical unemployment indemnity cannot be subject to enforcement by garnishment during the entire duration of its granting, regardless of the budget from which it is supported. The indemnity may be granted after the cessation of the state of emergency, but not later than December 31, 2020, in the conditions provided by law.</p> <p>Athletes, individuals who obtain exclusively income from copyright and related rights and other professionals, including lawyers benefit from certain incentives which are subject to income tax and social security contributions payment. These incentives cannot be subject to enforcement by garnishment during the state of emergency as well as 60 days after its cessation (namely until 14 July 2020).</p>	<p>establishing additional social protection measures;</p> <p>Government Emergency Ordinance no. 53/2020 on the modification and completion of certain normative acts on social protection measures caused by the spread of SARS-CoV-2 coronavirus.</p>
International tax law		

2.34. SINGAPORE¹⁴¹



Number of Covid-19 cases:	31.960
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	The GST rate increase by 2% to 9% announced in 2018 will not take effect in 2021, i.e. the GST rate will remain unchanged at 7% during 2020 and 2021.	
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures	<ul style="list-style-type: none"> To assist companies with their cash flow, a corporate income tax rebate of 25% of tax payable, capped at SGD 15,000, will be granted for year of assessment (YA) 2020. To support wage increases for Singaporean employees, the wage credit scheme will be enhanced: the monthly wage ceiling for qualifying wage increases granted in 2019 and 2020 will be increased from SGD 4,000 to SGD 5,000, and the government co-funding levels for 2019 and 2020 will be increased by 5% to 20% and 15%, respectively. Subject to a number of conditions, a taxpayer that incurs capital expenditure on the acquisition of plant and machinery for YA 2021 may opt to claim accelerated capital allowances over 2 years: 75% in YA 2021 and 25% in YA 2022. The option, if exercised, is irrevocable. Subject to a number of conditions, a taxpayer that incurs qualifying expenditure on renovation and refurbishment (R&R) for YA 2021 will have an irrevocable option to claim R&R deduction in one YA. To simplify capital allowance claims under section 19 of the Income Tax Act, the prescribed useful life of plant and machinery under the Sixth Schedule will be streamlined for plant and machinery acquired in or after financial year 2022. Carryback periods for losses and unabsorbed capital allowances would be increased for fiscal 2020 from one year to three years under the budget proposals. Taxpayers would also be able to apply estimated carryback deductions for fiscal 2020 to prior years before they file their returns for the current year. The existing SGD 100,000 cap on carrybacks remains unchanged under the budget proposals. The government proposed extending the mergers and acquisitions scheme, which is scheduled to sunset on March 31, until the end of 2025. The scheme provides for a tax deduction equal to 25 percent of the value of a qualifying acquisition, capped at SGD 40 million, to be taken over five years. It also grants relief from stamp duty on the acquisition of ordinary shares, limited to SGD 80,000 per fiscal year, and a 200 percent tax deduction on transaction costs incurred in qualifying mergers and acquisition deals, capped at SGD 100,000 per year. <p>The stamp duty relief would not be extended under the proposal for instruments executed after March 31, 2020. The government said it would also grant waivers on a case-by-case basis from the requirement that acquiring companies be held by an ultimate holding company incorporated in and tax resident of Singapore.</p>	
Individual taxation incentives / measures	<ul style="list-style-type: none"> The withholding tax exemption for non-resident mediators and non-resident arbitrators will be extended to 31 March 2022. 	

¹⁴¹ With the contribution of Mayer Brown

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	Concessionary withholding tax of 10% for non-resident public entertainers will be extended to 31 March 2022, and will lapse after that date.	
International tax law		

Note: the above is based on the Budget for 2020 that, on 18 February 2020, was presented to Parliament by the Finance Minister, which is heavily inspired by the economic effects of the coronavirus situation on Singapore. A second relief package is currently being considered by the government.

2.35. SLOVENIA¹⁴²



Number of Covid-19 cases:	1.457
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	Taxpayer shall be eligible for an additional tax relief for donations to the governmental Anti-COVID-19 accounts of Slovenia or other EU Member State. The tax relief applies for corporate income tax (CIT) and for income tax on independent business activities of individuals. The tax base can be reduced by the amount of payments made to these accounts.	Article 62.a of the Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy. http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8190
Direct tax credits / incentives		
Indirect tax incentives / measures	The law introduces a temporary VAT exemption on deliveries and acquisition of protective and medical equipment within the EU. Deliveries of goods in the period from 13.3.2020 to 31.7.2020 shall be exempt from VAT with the full right to input VAT deduction if such goods are listed by the Government of Slovenia and exempt from import duties and import VAT under the Commission Decision (EU) 2020/491 of 3.4.2020. The VAT exemption requires that <ul style="list-style-type: none"> – the goods are intended for distribution free of charge by qualifying organizations to persons affected by or at risk under COVID-19, or involved in combating the COVID-19 outbreak or being made available free of charge to such persons, while remaining the property of the organization; – the goods are imported by or on behalf of the qualifying organization, including state organizations such as governmental bodies, public bodies and other bodies governed by public law as well as organizations approved by the competent authority in the Member State of its domiciliation. 	Article 62.b of the Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy. http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8190
Suspension / extension of tax filings' terms	The deadline for filing the yearly tax return has been extended from the 31.3 until the 31.5. for taxpayers who have their business year aligned with the calendar year. For business which have their business year different from the calendar year the deadline is extended for and additional two months (altogether for a period of five months after the end of the business year).	Article 3. of the Intervention Measures in the Fiscal Area Act http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8186
Suspension / extension of tax payments' terms	Either a payment in installments or a deferral of payment for a maximum of two years (or 24 instalments). No late fee accruals and is applicable to both prepayments and withholding tax.	Article 7 and 8 of the Intervention Measure in the Fiscal Area Act http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8186
Suspension / extension of tax controversies' terms	A freeze of any non-essential procedural terms (both in the sphere of administrative procedures, litigation and execution procedures).	Article 6 and the following of the Act on provisional measures for judicial, administrative and other public matters /.../. http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8183 Article 11 of the Intervention Measures in the Fiscal Area Act

¹⁴² With the contribution of Leitner Leitner

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Others measures</p>	<p>The major part of Slovenian measures is concentrated on subsidising employment related costs. These measures are extremely intricate and subject to different conditions. The main feature is financial aid to payment of temporary laid-off employees, employees who are unable to work for reasons of force majeure, and covering of social security contributions for active employees.</p>	<p>http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8186 Articles 20 to 40 of the Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy. http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO8190</p>
<p>Individual taxation incentives / measures</p>		
<p>International tax law</p>		

2.36. SOUTH AFRICA¹⁴³



Number of Covid-19 cases:	23.615
Existence of tax subsidies / measures:	Yes
Date of last update:	30/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		
International tax law		

The Minister of Finance released details on the proposed tax relief measures (for compliant taxpayers) announced by President Ramaphosa last week Monday. These are summarised below, but please read the Draft Explanatory Memorandum which includes the background, detailed requirements and examples: <https://bit.ly/2QTpJvb>

ETI Relief (1 April - 31 July 2020):

- Increasing max ETI currently claimable from R1 000 to R1 500 in the 1st qualifying 12 months and from R500 to R1 000 in the 2nd 12 qualifying months.
- Allowing monthly ETI claim of R500 for employees from the ages of:
 - o 18 to 29 who are no longer eligible for the ETI as the employer has claimed ETI in respect of those employees for 24 months; and
 - o 30 to 65 who are not eligible for the ETI due to their age.
- Accelerating the payment of ETI reimbursements from twice a year to monthly to improve cash flow

Deferral of portion of PAYE liability (1 April - 31 July 2020)

- Deferral of payment of 20% of PAYE liability, without interest/penalties for late payment.
- The deferred PAYE liability must be paid to SARS in equal instalments over the 6 month period commencing on 1 August 2020; i.e. the first payment must be made on 7 September 2020.

Deferral of portion of provisional tax liability for compliant SMMEs (1 April 2020 - 31 March 2021):

- Deferral of a portion of the 1st & 2nd provisional tax payment, without penalties & interest for late payment thereof;
- 1st provtax payment due from 01/04/20 - 30/09/20 = 15% x estimated total tax liability
- 2nd provtax from 01/04/20 - 31/03/21 = 65% x estimated total tax liability;
- Balance to be paid by third provisional tax payment date in order to avoid interest charges.

¹⁴³ With the contribution of Werksmans

2.37. SOUTH KOREA¹⁴⁴



Number of Covid-19 cases:	11.225
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ¹⁴⁵	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	<ul style="list-style-type: none"> VAT payable by small businesses with less than KRW 60 million in annual sales will be reduced until the end of 2021 	
Suspension / extension of tax filings' terms	<ul style="list-style-type: none"> Small businesses are granted up to a 9-month extension for filing of the tax return, and up to 1 year extension for filing and paying local taxes 	
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures	<ul style="list-style-type: none"> An increased tax deduction will be granted to individuals for the use of debit cards (from 30% to 60%) and credit cards (from 15% to 30%) for the period from March to June 2020. Consumers replacing their vehicles that are at least 10 years old will be eligible for an additional 70% reduction on the consumption tax imposed. Parents with children up to the age of eight who decide to take leave of absence due to a temporary shutdown of daycare facilities and kindergartens will be granted subsidies up to KRW 500,000. 	
International tax law		

¹⁴⁴ Based on public available information gathered in coordination and with the support of Mayer Brown

¹⁴⁵ On 28 February 2020, the Finance Minister announced a number of tax stimulus measures to prop up demand and assist domestic businesses affected by the Novel Coronavirus (COVID-19) outbreak. The most important measures are set out in the table.

2.38. SPAIN¹⁴⁶



Number of Covid-19 cases:	235.400
Existence of tax subsidies / measures:	Yes
Date of last update:	26/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<ul style="list-style-type: none"> Although no additional incentives have been approved because of the COVID-19 pandemic, the general regime still applies: donations to entities subject to Act 49/2002 entitle to a tax credit of 35% (40% if certain requirements are met) of the donation made, with certain limitations. CIT payments on account are generally calculated based on the tax due of the last CIT filed, unless the taxpayer chooses to determine them based on the accounting profit of the relevant period (this system is mandatory for taxpayers with a net turnover in the previous year of at least €6 million). The government has extended the deadline for choosing to determine the payment on account based on the accounting profit option until October 20, 2020 (the deadline for companies whose financial year started as of January 1, 2020, was February). This measure is not applicable to tax groups. 	Act 49/2002, of December 23 Royal Decree-Law 15/2020, of April 21
Indirect tax incentives / measures	<ul style="list-style-type: none"> Spanish customs have implemented a duty relief and VAT exemption on medical supplies imported in the context of COVID-19 by any operator, even if it is not a public entity or an authorized private body of a charitable or philanthropic nature, provided that the supplies are imported to be subsequently donated or sold to public law entities, clinics and hospitals, or certain private social entities and certain requirements are met. From April 23 to July 31, 2020, a 0% VAT tax rate will apply to the deliveries of goods, imports and intra-Community acquisitions of goods listed in the annex of RDL 15/2020 (e.g., masks, pumps, monitors, ventilators, sterile tubes and gloves) destined for public law entities, clinics and hospital centers, or certain private social entities. 4% VAT tax rate applicable to books, newspapers and magazines when these services are provided electronically from April 24 onwards. From April 25 to July 31, 2020, a 0% IGIG tax rate will apply to the deliveries of goods and imports of goods listed in Decree 8/2020 if certain requirements are met. 	NI GA 11/2020 of April 2 and UE Commission Decision 2020/491; NI GA 13/2020 of April 23 Royal Decree-Law 15/2020, of April 21 Canary Island Decree 8/2020, of April 23
Suspension / extension of tax filings' terms	<ul style="list-style-type: none"> Navarra and the Basque Country have approved extensions of tax filing terms (e.g., withholdings and VAT forms). All the autonomous regions have approved tax filing deadline extension for taxes they manage (i.e., IGIC, transfer tax, capital duty, stamp duty, inheritance and gift tax). Municipalities are approving filing deadline extensions for local taxes. Tax filing and payment deadlines falling between April 15 and May 20 (e.g., VAT, withholdings, CIT payment on account) are extended to May 20, 2020, provided the taxpayer's turnover for VAT purposes did not exceed €600,000 in 2019. This measure does not apply to tax groups for CIT or VAT purposes regarding CIT and VAT forms, respectively. 	Regional and local regulations Royal Decree 14/2020, of April 14.
Suspension / extension of tax payments' terms	<ul style="list-style-type: none"> Subject to the taxpayer's request, a deferral of payment will be granted for tax debts arising from assessments, self-assessments and custom duties with filing and payment deadlines falling between March 13, 2020, and May 30, 2020. The deferral is only available to individuals or entities with a net turnover not exceeding €6,010,121.04 in 2019. A cap of €30,000 is set for tax debts that may be deferred on these special terms. The deferral will be granted for a fixed period of six months. 	Royal Decree 465/2020, of March 14; Royal Decree-Law 8/2020, of March 17; and Royal Decree-Law 11/2020 of March 31

¹⁴⁶ With the contribution of Cuatrecasas

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> No late-payment interest will accrue for the first three months. However, these deferrals will accrue interest for the remaining three months Despite the additional measures approved, Spanish law establishes other alternatives to achieve an extension of tax payments terms. 	
Suspension / extension of tax controversies' terms	<ul style="list-style-type: none"> Administrative procedures have been extended to May 30, 2020, unless the period granted by the general regulations is higher. This measure includes the following cases: <ul style="list-style-type: none"> ✓ Collection procedures. ✓ Deadlines to respond to requirements made by any tax authorities that had not yet ended on March 18, 2020 (e.g., tax audits, tax information requests, collection management and penalty procedures). Administrative procedures have been extended to May 30, 2020, unless the period granted by the general regulations is higher. Calculation of the deadlines to file administrative appeals and economic-administrative claims (generally, one month): <ul style="list-style-type: none"> ✓ Notified before March 14, 2020: is counted until March 14 and, the remaining period, counted from May 1, 2020. ✓ Notified from March 14 to May 30, 2020: counted from May 30, 2020. ✓ Notified after May 30, 2020: no suspension/extension. ✓ The deadline for submissions of claims and other economic-administrative procedures has not been extended or suspended. 	Royal Decree 465/2020, of March 14; Royal Decree-Law 8/2020, of March 17 and Royal Decree-Law 11/2020 of March 31; Royal Decree-Law 15/2020, of April 21
Others measures	<ul style="list-style-type: none"> Deadline for the formulation of financial statements (three months from the fiscal year's closing date) has been extended for three months from the date the state of emergency ends. The financial statements will need to be approved by the shareholders within the three months from the last day for the formulation of financial statements. Enforcement period related to tax debts arising from assessment and self-assessments accrued between April 20 and May 30, 2020, will not be initiated, provided the taxpayer has applied for the financial measures approved by the government through Royal Decree-Law 8/2020 and certain requirements are met. This measure does not apply to taxes managed by autonomous regions or municipalities. Tax debts corresponding to port fees accrued between March 12 and June 30, 2020, can be deferred on taxpayer's request 	Royal Decree-Law 8/2020, of March 17 and Royal Decree-Law 11/2020 of March 31 Royal Decree-Law 15/2020, of April 21
Individual taxation incentives / measures		
International tax law		

2.39. SWEDEN¹⁴⁷



Number of Covid-19 cases:	33.843
Existence of tax subsidies / measures:	Yes
Date of last update:	23/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	The Government proposed an extension of tax payments: Companies can delay the payment of VAT, social security charges, and preliminary income tax on salaries. Three months of payments can be delayed for up to 12 months. The rules are proposed to enter into effect as of 7 April 2020, but can, if enacted, be applied from 1 January 2020	
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		
International tax law		

¹⁴⁷ With the contribution of Mannheimer Swartling

2.40. SWITZERLAND¹⁴⁸



Number of Covid-19 cases:	30.380
Existence of tax subsidies / measures:	Yes
Date of last update:	12/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Deductibility of gifts / donations</p> <p>Direct tax credits / incentives</p>	<p>Abatement (generally available)</p> <p>Tax payers (individuals / corporate tax payers) can request a full or partial abatement of income and/or wealth taxes if the payment of the tax would constitute an undue hardship. Abatement is however still considered to be a measure of last resort and will mainly be granted if a relief cannot be achieved through other means (e.g., deferral of the tax payment).</p> <p>Covid-19: suspension of interest for late payment</p> <p>For direct federal taxes (individual income and wealth as well as corporate income and capital taxes) the interest has been lowered to 0.00% from 1 March 2020 to 31 December 2020. Several cantons have also reduced interest for late payment for income taxes for individuals and corporate taxpayers (e.g., Solothurn 0.00%, Geneva for 2020 taxes 0.00%). Interest for late payment for social security contributions has also been reduced to 0.00%.</p> <p>Special Covid-19 tax provisions</p> <p>Swiss corporate income taxes in principle follow the accounting treatment of a transaction. Events allowing for or requiring the recognition of a provision generally have to exist at the time of the balance sheet date, e.g., 31 December for the 2019 FY. Event occurring after the balance sheet date generally do not allow for a provision or restatement of the figures of the relevant FY but may require disclosure in the annex to the financial statements.</p> <p>As it is not fully certain that the outbreak of the novel coronavirus can be purely treated as an event after the balance sheet date, some cantons allow for a tax provision in the 2019 FY to be recognized in view of a potential impact on revenues. As the Swiss federal tax administration appears not to support this measure for the federal portion of income taxes, the covid-19 provision is mostly only accepted for cantonal corporate income taxes.</p>	<p>Federal act on direct federal taxes (FTA)</p> <p>Cantonal tax laws</p> <p>Ordinance of the federal council re Covid-19 related finance matters dated 23 March 2020</p>
<p>Indirect tax incentives / measures</p>	<p>Abatement (generally available)</p> <p>Tax payers (individuals / corporate tax payers) can in principle request a full or partial abatement of VAT. However, abatements are limited to cases of errors caused for excusable reasons by the taxpayer or to VAT assessments claimed by the federal tax administration which have proven to be too high. There is no general possibility for abatements subject to discretion of the federal tax administration.</p> <p>Covid-19: suspension of interest for late payment</p>	<p>Federal act on value added taxes</p> <p>Ordinance of the federal council re Covid-19 related finance matters dated 23 March 2020</p>

¹⁴⁸ With the contribution of Loyens & Loeff

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>For VAT, customs, excise duties and special consumption taxes (tobacco, alcohol, beer, heavy vehicle, automobile and petroleum taxes) the interest rate has been lowered to 0.00% from 20 March 2020 to 31 December 2020 (status: March 23, 2020).</p>	
<p>Suspension / extension of tax filings' terms</p>	<p>Extension of filing deadlines for tax returns (generally applicable)</p> <p>Deadlines for pending tax return filings can be extended. Deadlines for income tax returns vary depending on the canton. Most cantons allow for extensions of the filing deadlines into the second half of 2020. Request for extensions for tax return filings via online tools: Many cantons have urged tax payers to use available online tools on the website of the cantonal tax administration to extend filing deadlines. For corporations the filing deadlines for tax return can also be extended (e.g., Zurich with a regular deadline of 30 September 2020 but extensions are possible) (status: March 23, 2020).</p> <p>Covid-19: automatic extension of tax return filing deadlines</p> <p>Several cantons have enacted automatic extensions for tax return filings (almost exclusively for individuals). Automatic extension notably apply in Aargau (31 May 2020), Basel-Stadt (31 May 2020), Geneva (31 May 2020), Solothurn (31 July 2020) and Zurich (31 May 2020). Taxpayers have been urged to check availability to extend deadlines beyond that date.</p>	
<p>Suspension / extension of tax payments' terms</p>	<p>Adjustments of preliminary tax invoices (generally applicable)</p> <p>Corporations that expect to incur losses due to the impact of coronavirus or individuals who expect to lose income may request revised preliminary tax invoices. However, 2019 taxes may partially already be due or become due: federal income taxes for the 2019 calendar year become due on 31 March 2020 whereas the due date of cantonal income taxes varies significantly. Most cantons levy a compensatory/late interest for amounts owed and paid after the due date. Therefore, tax payers may seek to pay taxes in instalments or request a deferral of payment to safeguard cash:</p> <ul style="list-style-type: none"> - <u>Deferral of federal income tax</u>: deferrals can also cover interest and have to be filed in writing with the cantonal tax authority or via online tools to the extent available on the website of the cantonal tax administration. A deferral can also extend to preliminary tax invoices. Tax payers may also request a payment in instalments. - - <u>Deferral of cantonal income taxes</u>: in most cantons deferrals do not cover interest charges. However, in most cantons interest rates are low (e.g., 0.00% in Zug, 0.50% in Zurich for compensatory interest) or have already been lowered to 0.00% (e.g., in Solothurn). Taxpayers may even consider requesting a partial abatement. Requests for tax deferrals have to be submitted to the competent tax authority (e.g., the communal tax administration). Most cantons allow for online filing of the request. Tax payers may also request a payment in instalments. 	
<p>Suspension / extension of tax controversies' terms</p>	<p>Suspension of debt enforcements procedures</p> <p>The suspension of debt enforcement procedures applicable from 19 March 2020 to 4 April 2020 has been lifted and not extended. Since the end of the debt enforcement holiday lasting until 19 April 2020, debt enforcements can therefore be initiated again in Switzerland.</p> <p>Suspension of civil and administrative proceedings</p> <p>The suspension of civil and administrative proceedings applicable until 19 April 2020 has been lifted and not extended.</p> <p>However, please note that the regular suspension did not apply to federal income taxes and therefore did not hinder legal deadlines with respect to these taxes. To the extent that taxpayers may have missed a deadline during the suspension, the</p>	<p><u>Ordinance of the federal council re Covid-19 and suspension of civil and administrative proceedings dated 20 March 2020</u> <u>Ordinance of the federal council re Covid-19 and suspension of debt enforcement dated 18 March 2020</u></p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>competent authority may however consider an extraordinary reinstatement of a new deadline in view of the special circumstances. Such additional deadline may lead to a <i>de facto</i> extension of the regular deadline.</p>	
<p>Others measures</p>	<p><u>Federal Government:</u></p> <ul style="list-style-type: none"> - The federal government provides for measures in the amount of CHF 40bn for (i) short-term work compensation, (ii) bridging loans: Affected companies should be able to obtain credit amounts from banks up to 10% of their turnover or a maximum of CHF 0.02bn, which are guaranteed by the government; (iii) deferral of payment of social security contributions without interest being levied; (iv) compensation for loss of income of self-employed persons; (v) cultural sector: CHF 0.28bn in emergency aid and compensation; (vi) CHF 0.1bn for sports organisations in the form of repayable loans (CHF 0.05bn) and subsidies (CHF 0.05bn); (vii) measures to bridge liquidity bottlenecks in tourism. The federal council has since increased the amount available for supporting loans to CHF 40bn (status: April, 2020) - Credits/loans to be paid to affected companies will fully or partially benefit from a government-guarantee (the Covid-Loans). Any business impacted by the spread of Covid-19 and/or governmental restrictions with liquidity issues and provided the business has an annual turnover of less than CHF 500m can apply for a special one-time Covid-Loan from any Swiss commercial bank. The loan amount is capped at 10% of the annual turnover of the relevant business or at a maximum of CHF 20m. The terms are as follows: <ul style="list-style-type: none"> - Covid-Loan up to (i) 10% of annual turnover or (ii) maximum of CHF 0.5m (Fully-backed Covid-Loan): 100% government backed loan, 0% coupon, application through standardized form. The federal council has asked banks to ensure that funds are transferred within 30 to 40 minutes after filing of the loan request by the business. - Covid-Loan up to (i) 10% annual turnover but (ii) exceeding CHF 0.5m (Partially-backed Covid-Loan): 85% government backed, 15% credit risk of the bank, maximum amount CHF 20m (minus CHF 0.5m as Fully-backed Covid-Loan has to be requested), coupon 0.50% on the 85% backed portion and separate coupon to be determined by the bank on the 15% non-backed portion and more thorough credit analysis by the bank. Bank also may request additional security. - The Covid-19 Loan Programme is subject to certain restrictions put in place on borrowers, e.g., borrower may not distribute dividends, grant loans to related parties and may be subject to special restrictions in the event that the borrower is part of a cash pooling arrangement. - The federal government has also enacted a support package for innovative start-up companies as most of these businesses are excluded from the scope of Covid-Loans (e.g., due to the lack of significant staff etc.). Until 31 August 2020, start-ups may apply for special government backed loan to support business during the covid-19 outbreak. The loans may be backed by the federal government up to 65%, whereas cantons may provide backing of the remaining portion up to 35%. Some cantons already provide stimulus packages for start-up businesses. <p><u>Cantons (selection):</u></p> <ul style="list-style-type: none"> - <u>Canton Basel-Stadt</u>: The canton of Basel Stadt provides for a crisis fund to help businesses pay salaries during the outbreak, prolongs payment deadlines for amounts owed to government bodies with respect to mainly electricity and water access and provides cantonal backed loan facilities for local businesses (status: March 23, 2020). - <u>Zurich</u>: the canton of Zurich has announced to guarantee any commercial loan granted by a commercial bank to a Zurich business (up to 250 employees). - <u>Zug</u>: the canton of Zug has announced a cantonal stimulus package for local business of CHF 20m to support small local businesses and prevent job loss or bankruptcies. Separately, the canton announced to review a temporary reduction of the cantonal tax rate (multiplier) from 2021 to 2023 lowering effective tax rates by 0.40% to further help businesses.. 	<p><u>Ordinance 2 of the federal council re various measures in connection with Covid-19 dated 20 March 2020</u></p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Individual taxation incentives / measures</p>	<p>(see above)</p>	
<p>International tax law</p>	<p><u>Federal government:</u></p> <ul style="list-style-type: none"> - The federal government has announced to negotiate clarifications on the existing double tax treaties with respect to cross-border commuters (notably France, Germany and Italy) clarifying that any lockdown measures (e.g., closure of borders, no return to residence state etc.) should not have any impact on the treaty status of an individual, such as any special provision applicable to cross-border commuters for individuals working in Switzerland but living in one of the neighbouring countries. <p><u>Cantons (selection):</u></p> <ul style="list-style-type: none"> - <u>Zurich</u>: the canton of Zurich has announced that any remote working or travel restrictions implemented due to the Covid-19 outbreak are not deemed to impact tax residency, permanent establishment or the qualification of an individual in cross-border working situations (e.g., commuters or taxation pursuant to the 183-day rule under an applicable treaty). The canton considers to continue taxing individuals as applicable prior to the covid-19 measures and will neither increase nor relinquish any taxation right for the foreseeable time. 	

2.41. THAILAND¹⁴⁹



Number of Covid-19 cases:	3.045
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ¹⁵⁰	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures	<ul style="list-style-type: none"> The excise duties rate for jet fuel used for domestic flight will be reduced from THB 4.726 per litre to THB 0.20 per litre until 30 September 2020. <p>The value added tax refund will be expedited accordingly where online refunds will be made within 15 days and the refund from tax branch offices will be made within 45 days.</p>	
Suspension / extension of tax filings' terms	The deadline for filing personal income tax returns and the payment of tax will be extended for 3 months from 31 March 2020 to 30 June 2020.	
Suspension / extension of tax payments' terms		
Suspension / extension of tax controversies' terms		
Others measures	<ul style="list-style-type: none"> An additional 100% deduction will be allowed for companies on payments made between 1 January 2020 and 31 December 2020 in relation to the following items: <ul style="list-style-type: none"> payments made for seminar rooms, accommodation, transportation and other expenses for domestic seminars/training for employees; and payments made to tour business operators under the law for domestic seminars/training between 1 January 2020 and 31 December 2020. An additional 50% deduction for payments made between 1 January 2020 and 31 December 2020 will be allowed for companies undertaking hotel business in relation to expenditures incurred for the alteration, extension or improvement of the properties and such properties must be ready for use by 31 December 2020. However, expenditure incurred for the repair of properties with the intention to return the properties to their original state is not qualified for the additional deduction. The properties mentioned herein include buildings used for the purpose of hotel businesses and the furniture or fixtures permanently attached to the buildings. Small or medium-sized enterprises (SMEs) will be able to claim a 300% deduction on salary payments made from April 2020 to July 2020. <p>SMEs will be able to claim a 150% deduction of interest expenses incurred from April 2020 to December 2020.</p>	
Individual taxation incentives / measures		
International tax law		

¹⁴⁹ With the contribution of Mayer Brown

¹⁵⁰ Tax relief measure approved on 4 February 2020 by the Cabinet to mitigate the impact of a global economic slowdown on taxpayers and the impact of the coronavirus on the tourism sectors.

2.42. UNITED KINGDOM



Number of Covid-19 cases:	261.188
Existence of tax subsidies / measures:	Yes
Date of last update:	28/04/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	HMRC have published detailed guidance on how eligible UK employers should claim HMRC funding for furloughed employees under the Job Retention Scheme. The scheme is expected to become operational by the end of April, and will be backdated to 1 March. To be eligible for the scheme, UK employers must have set up a PAYE payroll scheme on or before 28 February 2020. The scheme may only be used for furloughed employees that were on the payroll on or before that date.	
Indirect tax incentives / measures	A temporary relief from import VAT and customs duty is available until 31 July 2020 for importers of specific goods such as hand hygiene products, protective equipment and other relevant medical devices, provided that they are imported in specific circumstances, such as for onward donation or sale to the NHS, or for donation to those affected by, at risk of, or involved in combating COVID-19. Generally, relief may be applied for by contacting the National Import Relief Unit (NIRU).	
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	Duty deferment account holders who are unable to make payment of deferred customs duties and import VAT due on 15 April 2020 owing to COVID-19-related financial difficulties may seek an extension from HMRC to make full or partial payment without having their guarantee called upon or their deferment account suspended. Registered importers who do not have a duty deferment account may also request an extension for time to pay, although extensions will only be granted on a case by case basis and may require the provision of a guarantee.	
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		
International tax law	<p>HMRC have recently indicated that, where foreign-incorporated companies hold occasional UK board meetings or participate in such meetings from the UK, that will not necessarily result in central management and control abiding in the UK for UK tax residence purposes. However, this does not change the fact that all foreign-incorporated companies which are already managed and controlled in, and treaty-resident in, the UK may be at risk of losing their UK tax residence status; which could lead to UK exit charges and/or the possibility of acquiring a tax residence in another country. This situation may arise if, for example, key non-UK directors are unable to attend UK board meetings due to travel restrictions.</p> <p>HMRC have also indicated that a non-resident company will not automatically have a permanent establishment (PE) after a short period of time, since a degree of permanence is required for a "fixed place of business" PE to exist. It also confirmed that, whilst the habitual conclusion of contracts in the UK would also create a taxable presence in the UK, it will be a question of fact and degree as to whether that habitual condition is met. If a UK PE exists, the attribution of profits to that UK PE would depend on the level of activity in the UK, and the relative value of that activity, in accordance with the usual UK rules and HMRC guidelines. This issue may need to be considered where (for example) a non-UK employer has UK resident employees who regularly travel cross-border to the employer's workplace.</p>	

2.43. URUGUAY¹⁵¹

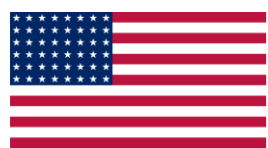


Number of Covid-19 cases:	769
Existence of tax subsidies / measures:	Yes
Date of last update:	11/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms	An extension has been granted to companies. Their annual tax returns may be filed before May 22 or 25, depending on the size of the company.	
Suspension / extension of tax payments' terms	<p>On March 20, 2020, Uruguayan Tax Office (Dirección General Impositiva -- DGI) issued Resolution N° 550/2020, under which national taxes payable during March 23-26, were deferred. Such taxes could be paid before March 27 without any fines and/or surcharges. Public sector companies did not benefit from such relief measure.</p> <p>The same Resolution provided special due dates to benefit certain enterprises whose annual income does not exceed the amount of --approximately-- USD 36,000. So-called "IVA Mínimo" (a single and reduced levy on small companies) accrued in February and March 2020, may be paid in six (6) installments starting as from May. Those taxpayers who have signed payment refinancing agreements with the Tax Office, shall be included in such benefit.</p> <p>Furthermore, the Tax Office issued Resolution N° 707/2020 establishing a relief program provided for business companies and the payment of the annual balance of their taxes, namely: (i) Corporate Income Tax (Impuesto a las Rentas de las Actividades Económicas -- IRAE), (ii) Net Equity Tax (Impuesto al Patrimonio -- IPAT), and (iii) Corporations Control Tax (Impuesto de Control de las Sociedades Anónimas -- ICOSA). The specific characteristics of such program (due dates, installments, etc.) depends on the balance sheet date and annual gross income of each company.</p> <p>The same Resolution provided the deferring of other tax obligations payable by companies on April 22 and 27. Such taxes could be paid --respectively-- before April 27 and 28.</p> <p>The Uruguayan Parliament has decided (Law N° 19,872) the deferring of payments in connection with social security taxes accrued in March and April. 60% of such social security taxes may be paid in six (6) installments as from next June. The other 40% shall be waived by Social Security Office (Banco de Previsión Social -- BPS). However, only micro-enterprises (monotributistas), sole-proprietorship companies (empresas unipersonales) and partnerships (sociedades personales) shall take benefit from this measure</p>	
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		
International tax law		

¹⁵¹ With the contribution of Bergstein Abogados

2.44. USA



Number of Covid-19 cases:	1.618.757
Existence of tax subsidies / measures:	Yes
Date of last update:	06/05/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	<p>Based on President Trump's declaration of a national emergency, the Federal Emergency Management Agency has declared an emergency in every state, territory, and certain tribal lands in the United States. Payments made by employers to employees that qualify as disaster relief payments paid to reimburse employees for reasonable and necessary personal, family, living, or funeral expenses, may be deductible as ordinary and necessary business expenses.</p> <p>The Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), signed into law on March 27, 2020, allows taxpayers who do not itemize deductions to claim a deduction of up to \$300 for qualified charitable contributions. Additionally, the limitations on the amount of cash contributions for which a charitable contribution is allowed has been relaxed for contributions made in 2020.</p>	<p>Robert T. Stafford Disaster Relief and Emergency Assistance Act ("Stafford Act") (PL 100-707 (Nov. 23, 1988)); Internal Revenue Code ("IRC") section 139; Rev. Rul. 2003-12.</p> <p>CARES Act, sections 2204 and 2205.</p>
Direct tax credits / incentives	<p>The Families First Coronavirus Response Act, signed into law on March 18, 2020, provides several benefits to workers relating to sick leave, including:</p> <ul style="list-style-type: none"> • An emergency paid sick leave benefits program for employees taking paid leave. • A requirement for certain large employers to offer paid sick leave. • A tax credit against payroll taxes for employers offering paid sick and paid family and medical leave. • Expanded unemployment benefits for workers losing their jobs because of COVID-19. • Grants to States to cover processing and paying claims. <p>The CARES Act provides a refundable, one-year only credit against an employer's 6.2 percent share of Social Security Payroll credits.</p>	<p>Families First Coronavirus Response Act, Divisions E and G CARES Act, section 2301 https://www.mwe.com/insights/trump-signs-families-first-coronavirus-response-act/</p>
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms	<p>With the President's national emergency declaration, the U.S. Treasury has the authority to extend the deadline to file tax returns under section Stafford Act and IRC section 139.</p> <p>Notice 2020-23 (amplifying Notice 2020-18) grants virtually all individuals, corporations, trusts, estates and other taxpayers that ordinarily would have had a filing, payment or other tax deadline between April 1, 2020, and July 15, 2020, a filing and payment extension until July 15, 2020.</p> <p>Some States have matched the federal extension (see discussion of States below).</p>	<p>Stafford Act; I.R.C. 7508A Notice 2020-23</p> <p>https://www.mwe.com/insights/irs-postpones-virtually-all-deadlines-until-july-15-2020-in-response-to-covid-19/</p>
Suspension / extension of tax payments' terms	<p>Virtually, all Federal income tax payments that were originally due between April 1, 2020, and July 15, 2020, are now due July 15, 2020. Deferred payments include transition tax installment obligations under IRC 965 that were due on April 15, 2020.</p> <p>Additionally, an employer's and a self-employed individual's payment of the employer share of the Social Security tax they are otherwise responsible for paying to the federal government with respect to their employees or self-employment activities is deferred until December 31, 2020.</p>	<p>https://www.mwe.com/insights/irs-significantly-expands-covid-19-tax-deferral-relief/</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
		https://www.mwe.com/insights/irs-clarifies-tax-filing-and-payment-deadline-extensions/ https://www.mwe.com/insights/irs-postpones-virtually-all-deadlines-until-july-15-2020-in-response-to-covid-19/ https://www.mwe.com/insights/congress-passes-the-cares-act/ Notice 2020-23 CARES Act, section 2302
Suspension / extension of tax controversies' terms	<p>The U.S. Tax Court ("Tax Court") has closed its building and cancelled all trial sessions through the end of June 2020. Tax Court personnel are working remotely and all filings (except petitions and notices of appeal) are being processed.</p> <p>Notice 2020-23 gives the Internal Revenue Service ("IRS") a 30-day extension to make an assessment, collect a liability, bring suit in court, and other administrative actions if the original deadline for the IRS to complete such action is between April 6, 2020 and July 15, 2020.</p> <p>The IRS has temporarily adjusted its operations and key compliance functions, including:</p> <ul style="list-style-type: none"> • Most employees are working remotely; • All examinations and IRS appeals conferences are being conducted remotely without in-person meetings; • No new audits are being started and enforcement of Information Document Request procedures in current audits are being suspended; • Liens and levies and payments due under existing instalment agreements and offers in compromise generally are suspended; • Notification to the US Department of State of taxpayers with seriously delinquent tax accounts for passport renewal or receipt is suspended; • Telephone hotline for taxpayer assistance is closed. 	Notice 2020-23 https://www.taxcontroversy360.com/2020/03/us-tax-court-cancels-remainder-of-spring-trial-sessions/ https://www.mwe.com/insights/irs-to-temporarily-adjust-operations-and-key-compliance-functions/ https://www.taxcontroversy360.com/2020/03/no-idr-enforcement-during-covid-19/ https://www.mwe.com/insights/irs-postpones-virtually-all-deadlines-until-july-15-2020-in-response-to-covid-19/
Others measures	<p>The CARES Act contains several tax business provisions, including:</p> <ul style="list-style-type: none"> • Expanded use of net operating losses. • Modified limitation on losses for pass-through entities and individuals. • Earlier use of outstanding alternative minimum tax credits. • Increased amount of interest expense businesses are allowed to deduction under IRC 163(j). • Correction of "retail glitch" to allow certain business to immediately deduction costs associated with qualified improvement property. • Suspension of excise tax applied on alcohol used to produce hand sanitizer. 	CARES Act, sections 2303, 2304, 2305, 2306, 2307, and 2308 https://www.mwe.com/insights/congress-passes-the-cares-act/
Individual taxation incentives / measures	<p>Individuals that receive qualified disaster relief payments from employers for reasonable and necessary personal, family, living, or funeral expenses incurred because of a disaster as well as grants or payments by state and local governments in order to promote the general welfare.</p>	Stafford Act; I.R.C. 7508A; Rev. Rul. 2003-12.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>The CARES Act authorizes the IRS to issue checks of as much as \$1,200 per person (\$2,400 for joint filers), subject to income limitations. An additional \$500 is potentially available for each child.</p> <p>The CARES Act waives early withdrawal penalties for COVID-19 related distributions from qualified retirement accounts and removes the required minimum distribution rules for certain defined contribution plans.</p> <p><u>The CARES Act allows employers to make tax-free payments up to \$5,250 per year for an employee's educational assistance.</u></p>	<p>CARES Act, sections 2201, 2202, 2203. And 2206</p> <p>https://www.mwe.com/insights/congress-passes-the-cares-act/</p>
<p>State and Local Tax Updates</p>	<p>Many States have issued guidance in response to COVID-19. Subjects covered include:</p> <ul style="list-style-type: none"> • Filing extensions • Payment extensions • Penalty waivers • Office closures • Suspension of in-person meetings <p>An overview of guidance issues by States in response to COVID-19 is available via the link to the right.</p>	<p>https://www.mwe.com/insights/covid-19-state-and-local-tax-updates/</p>
<p>International tax law</p>	<p>The IRS issued guidance providing tax relief to nonresident entities and individuals with a presence in the United States due to Coronavirus (COVID-19) and travel disruptions:</p> <ul style="list-style-type: none"> • Foreign corporations, foreign partnerships and nonresident individuals will not be treated as engaging in a US trade or business (USTB) based on the activities of individuals temporarily present in the United States because of COVID-19 travel disruptions. • Temporarily present individuals will also not be taken into account for determining whether a foreign corporation has a permanent establishment for tax treaty purposes. • Affected entities and individuals may exclude services and activities performed over 60 continuous calendar days beginning between February 1 and April 1, 2020, from the determination of whether they are engaged in a USTB. • Certain nonresident individuals are permitted to exclude up to 60 days of presence in the United States for purposes of the substantial presence test to determine US tax resident status. 	<p>Rev. Proc. 2020-20 Rev. Proc. 2020-27</p> <p>https://www.irs.gov/newsroom/information-for-nonresident-aliens-and-foreign-businesses-impacted-by-covid-19-travel-disruptions</p> <p>https://www.mwe.com/insights/irs-provides-relief-foreign-businesses-nonresidents-affected-by-covid19-travel-disruptions/</p>

KEY CONTACTS

FRANCE



ANTOINE VERGNAT
avergnat@mwe.com
Tel +33 1 81691509

GERMANY



NINA SIEWERT
nsiewert@mwe.com
Tel +49 69 951145162

ITALY



ANDREA TEMPESTINI
atempestini@mwe.com
Tel +39 02 8627301

LATIN AMERICA



MANUEL RAJUNOV
mrajunov@mwe.com
Tel +1 214 295 8014

UNITED KINGDOM



JAMES ROSS
jross@mwe.com
Tel +44 20 75776953

UNITED STATES



ANDREW ROBERSON
aroberson@mwe.com
Tel +1 312 9842732

UNITED STATES



TIMOTHY SHUMAN
tshuman@mwe.com
Tel +1 202 7568280

**McDermott
Will & Emery**

mwe.com |   

