



SPECIAL REPORT

CORONAVIRUS UPDATE

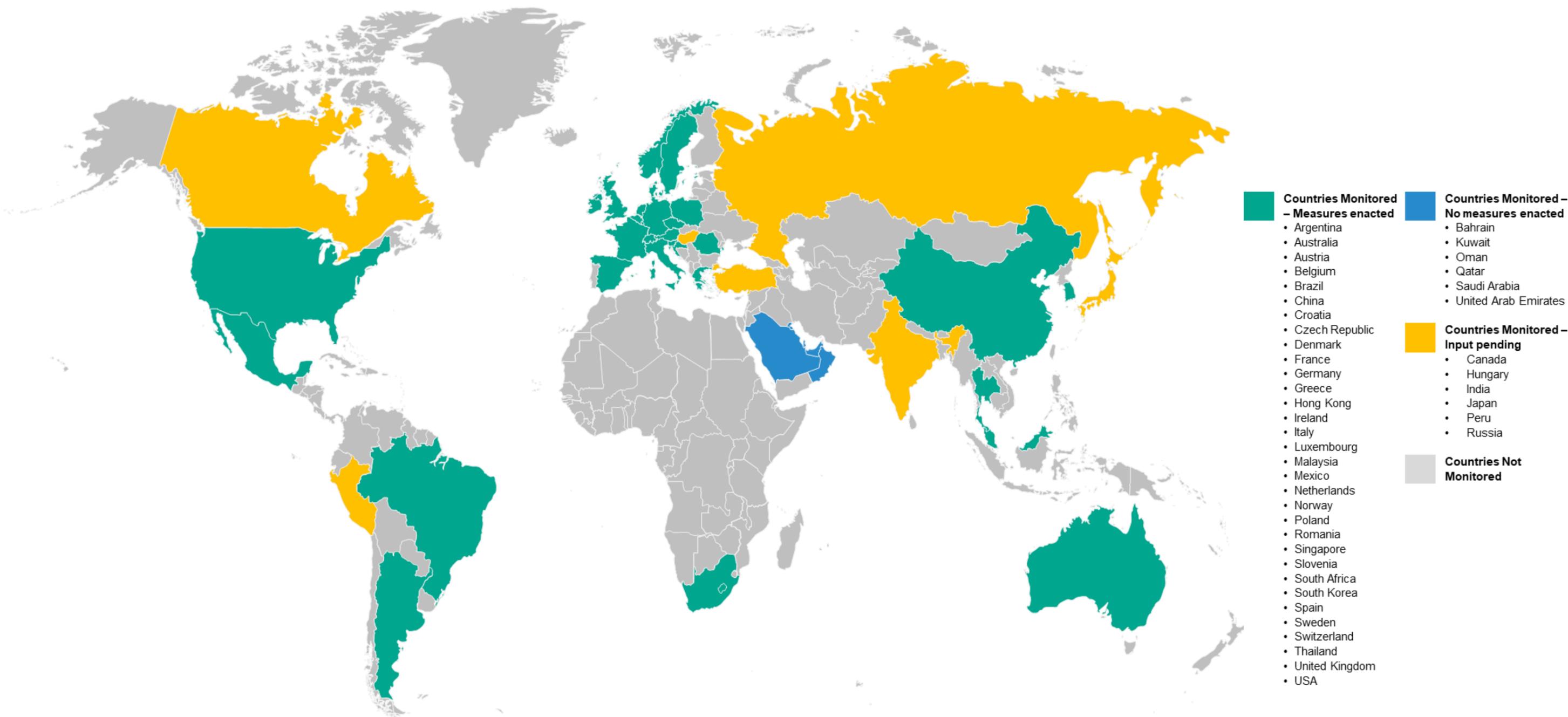
Monitoring of the Main Tax Measures / Subsidies

Country – by – Country Overview

March 30, 2020

McDermott
Will & Emery

COVID-19 GLOBAL MAP



1. SUMMARY TABLE

Country	Highlights	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
Argentina		690	Yes	✗	✗	✗	✓	✓	✓	✓	✓	24 March 2020 ★
Australia		3.966	Yes	✗	✓	✓	✗	✓	✗	✓	✓	24 March 2020 ★
Austria		8.291	Yes	✓	✗	✓	✓	✓	✓	✓	✓	25 March 2020 ★
Bahrain		499	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020 ★
Belgium		9.134	Yes	✗	✓	✓	✓	✓	✓	✓	✓	24 March 2020 ★
Brazil		3.417	Yes	✗	✗	✓	✓	✓	✓	✓	✗	24 March 2020 ★
Canada [Monitored – more info to come]		4.757										
China		82.356	Yes	✓	✓	✓	✓	✓	✓	✓	✓	16 March 2020
Croatia		657	Yes	✓	✗	✗	✗	✓	✗	✓	✓	25 March 2020 ★
Czech Republic		2.663	Yes	✗	✗	✗	✓	✓	✗	✓	✗	23 March 2020 ★
Denmark		2.201	Yes	✗	✗	✗	✗	✓	✗	✓	✗	25 March 2020 ★
France		37.145	Yes	✗	✓	✗	✗	✓	✗	✓	✗	24 March 2020 ★
Germany		52.547	Yes	✗	✓	✗	✗	✓	✗	✗	✗	17 March 2020

Country	Highlights	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
Greece		1.061	Yes	✗	✓	✓	✗	✓	✗	✓	✗	24 March 2020 ★
Hong Kong		518	Yes	✗	✗	✗	✗	✗	✗	✓	✗	16 March 2020
Hungary	[Monitored – more info to come]	408										
India	[Monitored – more info to come]	979										
Ireland		2.415	Yes	✗	✗	✓	✓	✓	✓	✓	✓	24 March 2020 ★
Italy		92.472	Yes	✓	✓	✗	✓	✓	✓	✓	✓	30 March 2020 ★
Japan	[Monitored – more info to come]	1.693	Yes									19 March 2020
Kuwait		255	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020
Luxembourg		1.831	Yes	✗	✗	✓	✓	✓	✗	✓	✗	24 March 2020 ★
Malaysia		2.320	Yes	✗	✓	✓	✗	✓	✗	✗	✓	16 March 2020
Mexico		717	Yes	✗	✗	✗	✓	✓	✓	✗	✗	20 March 2020 ★
Netherlands		11.750	YES	✗	✓	✗	✗	✓	✗	✓	✗	30 March 2020 ★
Norway		3.845	Yes	✗	✓	✓	✓	✓	✗	✗	✓	27 March 2020 ★
Oman		167	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020 ★
Peru	[Monitored – more info to come]	635										

Country	Highlights	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
Poland		1.638	Yes ¹	✓	✓	✓	✓	✓	✓	✓	✓	25 March 2020 ★
Qatar		590	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020 ★
Romania		1.452	Yes	✗	✓	✓	✗	✓	✓	✓	✓	24 March 2020 ★
Russia ² [Monitored – more info to come]		1.534	No									25 March 2020
Saudi Arabia		1.299	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020 ★
Singapore		802	Yes	✗	✗	✓	✗	✗	✗	✓	✓	16 March 2020
Slovenia		691	Yes	✗	✗	✗	✓	✓	✗	✓	✗	25 March 2020 ★
South Africa		1.280	No	✗	✗	✗	✗	✓	✗	✓	✗	30 March 2020 ★
South Korea		9.583	Yes	✗	✗	✓	✓	✓	✗	✗	✓	16 March 2020
Spain		72.248	Yes	✗	✗	✗	✓	✓	✓	✓	✗	23 March 2020 ★
Sweden		3.447	Yes	✗	✗	✗	✗	✓	✗	✗	✗	23 March 2020 ★
Switzerland		13.152	Yes	✗	✓	✓	✓	✓	✓	✓	✗	24 March 2020 ★
Thailand		1.388	Yes	✗	✗	✓	✓	✗	✗	✓	✗	16 March 2020
United Kingdom		17.093	Yes	✗	✓	✓	✗	✓	✗	✓	✓	24.March 2020 ★

¹ Some measures based on current law; new extraordinary measures being prepared.

² Russian Government has not decided on the final list of measures supporting business during this emergency

Country	Highlights	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
United Arab Emirates		468	No	✗	✗	✗	✗	✗	✗	✗	✗	23 March 2020 ★
USA		122.653	Yes	✓	✓	✗	✓	✓	✓	✓	✓	29.March 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. ARGENTINA³



Number of Covid-19 cases:	690
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

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	As general principle, employees in Argentina pays 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.	AFIP General Resolution No.4,682
Suspension / extension of tax payments' terms	Please refer to section "Suspension / extension of tax filings' terms" with relation to the extension of terms for the payment of employment income tax withholdings to year 2019.	AFIP General Resolution No.4,682
Suspension / extension of tax controversies' terms	<ul style="list-style-type: none"> AFIP established an extraordinary administrative recess from 03/18/2020 to 03/31/2020. 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. Judicial controversies terms have also been suspended in most jurisdictions until 03/31/2020. 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. 	AFIP General Resolution No.4,682 and 4,684, and resolutions issued by other level of government or by the Judiciary.
Others measures	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 20 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)	AFIP General Resolution No.4,683
Individual taxation incentives / measures	Please refer to section "Suspension / extension of tax filings' terms" with relation of the extension of terms for filing Fom 572 and paying employment income tax withholdings corresponding to year 2019.	

³ With the contribution of Marval

2.2. AUSTRALIA⁴



Number of Covid-19 cases:	3.966
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<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.

⁴ 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. 	
<p>Suspension / extension of tax filings' terms</p>	<ul style="list-style-type: none"> • None officially announced (other than as described above). 	
<p>Suspension / extension of tax payments' terms</p>	<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. - 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. - 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. 	<p>Per ATO announcement.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Suspension / extension of tax controversies' terms	<ul style="list-style-type: none"> None officially announced (other than as described above). 	
Others measures	<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 01 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>
Individual taxation incentives / measures	<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>

2.3. AUSTRIA⁵

	Number of Covid-19 cases:	8.291
	Existence of tax subsidies / measures:	Yes
	Date of last update:	25/03/2020

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		
Indirect tax incentives / measures	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
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) 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.	Guidelines of the Ministry
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>). Regarding financial criminal proceedings the period for objection (§ 145(1) FinStrG), the period for filing an appeal (§ 150(2) and (4) 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.	§ 323c BAO § 265a FinStrG
Others measures	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. 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. 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).	Guidelines of the Ministry § 37b AMSG; § 18b AVRAG

⁵ With the contribution of Binder Grösswang

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	Exemption for certain public administration fees	§ 35 (8) GebG
Individual taxation incentives / measures	The government will not tax premiums for supermarket employees during the coronavirus pandemic. The Ministry of Finance is currently working on a draft.	Communication of Federal Government

2.4. BELGIUM⁶



Number of Covid-19 cases:	9.134
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<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.</p> <p>Deferral of payment of wage withholding tax with 2 months, until 13 May (monthly return February) and 15 June 2020 (monthly return March or quarterly return Q1).</p> <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>	
Indirect tax incentives / measures	<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).</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) and annual VAT client listing 2019 (new deadline 30 April 2020); • Deferral of Corporate tax filing deadline until 30 April 2020 (for filing deadlines falling between 16 March and 30 April). <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 5 April 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 5 June 	
Suspension / extension of tax filings' terms		

⁶ With the contribution of Loyens & Loeff.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>(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.</p> <p>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 5 June (i.e. two months after the end of the period of stricter corona measures). The filing period is 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>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.</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>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 gross wage (capped at 2,754.76 EUR per month; the increased percentage is applicable until 30 June 2020). A withholding tax of 26.75% is deducted from this payment. The National Employment Office will pay 5.63 euros per day of unemployment and per employee, in addition to the unemployment benefit. The National Employment Office and the payment institutions will make every effort to pay the temporary benefits to the temporarily unemployed in the course of April. In the meantime, those for whom it takes a longer period, will receive a payment in advance.</p> <p>Also the regional governments have announced various measures. In Flanders for example, businesses that must remain closed (restaurants, bars, non-food stores,...) can get a compensation of 4.000 euro. If businesses would have to remain closed for more than 21 days, they will be entitled to a compensation of 160 euro per day. The Walloon government foresees</p>	

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>a lump-sum indemnity of 5,000 euros for businesses and €2,500 for 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. Furthermore, the Flemish regional government has set aside 100 million euro to expand the possibilities (and make the conditions more beneficial) for companies and self-employed persons to obtain a (partial) state guarantee on credit lines from financial institutions.</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 de facto that the payment of immovable property tax is deferred for companies active in the Flemish Region. Other businesses can flexibly request a repayment plan and, if necessary, a waiver of interest on late payments. The Walloon region foresees in turn for example a suspension of all (regional) tax payments as the deadlines will be extended by the period corresponding to the crisis.</p> <p>Luxembourg and Belgium have agreed that for cross-border commuters (essentially the situation of people living in Belgium but working in Luxembourg), the number of days they work remotely in their country of residence during the coronavirus emergency will not count in the maximum total of days allowed under the treaty (24) before the country of residence gets taxing rights. A similar agreement has been reached between France and Belgium on the 30 days rule under the Belgium-France tax treaty. For both tax treaties, this measure is effective as of March 14 and applies until further notice.</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>	

2.5. BRAZIL⁷



Number of Covid-19 cases:	3.417
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

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 companies have establishments, but the main ones can be summarized as follows:

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	<ul style="list-style-type: none"> • Tax on manufactured products (IPI): reduced to zero the rate of IPI on products used to fight the coronavirus, 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 (Ceará, Bahia, Pernambuco, Distrito Federal 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. 	
Suspension / extension of tax filings' terms	<ul style="list-style-type: none"> • Municipal Tax on Service (ISS): Belo Horizonte (capital of the State of Minas Gerais) has postponed the filing of ancillary obligations related to the ISS. It is possible that Municipalities enacted specific measures related to Municipal Taxes (Service Taxes and Urban Real State Tax), so we recommend an individual approach according to each companies' needs. 	
Suspension / extension of tax payments' terms	<ul style="list-style-type: none"> • Special Regime for Micro and Small Companies (Simples Nacional): payments related to federal taxes (no Municipal nor State taxes are included) under the regime are extended as follows: <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. • 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 	
Suspension / extension of tax controversies' terms	<ul style="list-style-type: none"> • Judicial Disputes: all judicial disputes in the country are suspended until April 30, 2020, except for disputes in the Federal Supreme Court and Electoral Courts • 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 Fiscal Appeals (CARF) suspended terms until April 30, 2020. • State and Municipal Tax Administrative Disputes: Acts are uneven and need to be confirmed in each State and Municipality were dispute is taken. 	
Others measures	<ul style="list-style-type: none"> • 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 	

⁷ With the contribution of Sperling Advogados.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>resuscitation devices and automatic respirators (steel lungs), among other goods listed in Resolution CAMEX 17/2020.</p> <ul style="list-style-type: none"> • National Treasury postpones payment and creates special installment payment of overdue federal tax liabilities. • 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). 	
Individual taxation incentives / measures		

2.6. CHINA



Number of Covid-19 cases:	82.356
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	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 MOF⁸ and SAT⁹ (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"> b) 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; c) 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"> 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. 	<ul style="list-style-type: none"> - MOF SAT Announcement No. 8, 2020 - SAT Announcement No.4, 2020 - MOF SAT Announcement No. 9, 2020 - <i>Announcement on Supportive VAT Policies regarding Work</i>

⁸ Ministry of Finance

⁹ State Administration of Taxation

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>VAT lower rate for small-scale taxpayers from March 1 to May 31, 2020:</p> <ul style="list-style-type: none"> 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. 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>Import duties exemptions on the following:</p> <ul style="list-style-type: none"> a) Goods directly used for epidemic prevention and control and imported via health departments; b) Eligible goods imported for donations to eligible entities for epidemic prevention (same exemption treatment for import VAT and consumption tax). 	<p><i>Return of Individual Businesses</i>, issued by MOF and SAT (Announcement No. 13, 2020)</p> <ul style="list-style-type: none"> - <i>Announcement on Supportive Tax Matters regarding Work Return of Individual Businesses</i>, issued by SAT (Announcement No. 5, 2020) - <i>Intrim Measures on Import Taes Exemption for Charitable Donations</i> <p><i>Announcement on Tax Exemption Policies regarding the Goods Imported for Epidemic Prevention and Control</i>, issued by MOF, GAC¹⁰ and SAT (Announcement No. 6, 2020)</p>
<p>Suspension / extension of tax filings' terms</p>	<ul style="list-style-type: none"> a) Tax filing corresponding to March 2020 is extended to March 23, 2020. <p>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>	<ul style="list-style-type: none"> - <i>Notice on Tax Filing Extension for March 2020</i>, issued by SAT (Shui Zong Han [2020] No. 37) - <i>Tax Collection and Administration Law</i> and its implementation rules
<p>Suspension / extension of tax payments' terms</p>	<ul style="list-style-type: none"> 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>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>	<ul style="list-style-type: none"> - <i>Tax Collection and Administration Law</i> and its implementation rules <p><i>Announcement on Temporary Extension of Consolidated Filing and Matters of Late Payment Interests and Late Filing Interests</i>, issued by GAC (Announcement No. 18, 2020)</p>
<p>Suspension / extension of tax controversies' terms</p>	<p>Taxpayers may apply for an extension or suspension due to force majeure in a tax administrative review or a tax administrative litigation.</p>	<ul style="list-style-type: none"> - <i>Administrative Review Law</i> and its implementation rules; - <i>Administrative Litigation Law</i> and its implementation rules.
<p>Others measures</p>	<p>Reduction and exemption on payment of entity employers for pension insurance, unemployed insurance and occupational injury insurance ("3 Insurances' Payment"):</p>	<ul style="list-style-type: none"> - <i>Notice on Periodic Reduction of Enterprises' Social Insurance Payment</i>, issued by HRSS¹¹,

¹⁰ General Administration of Customs

¹¹ Ministry of Human Resources and Social Security

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>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>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 NHSA¹², MOF and SAT (Yi Bao Fa [2020] No. 6)</p>
<p>Individual taxation incentives / measures</p>	<p>IIT incentives see Item 2) ("Direct tax credits / incentives")</p>	<p>See Item 2) ("Direct tax credits / incentives")</p>

¹² National Healthcare Security Administration

2.7. CROATIA¹³



Number of Covid-19 cases:	657
Existence of tax subsidies / measures:	Yes
Date of last update:	25/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations	General provisions on deductibility of donations (up to 2% of last year revenue and to qualified recipients)	Croatian Corporate Profit Tax Act
Direct tax credits / incentives		
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<p>The respective right is eligible to an entrepreneur, who must substantiate that he is unable to settle outstanding tax liabilities and who has no overdue tax debts on the day of submit-ting the application. It is assumed that there is no overdue tax debt if the amount of tax overdue is less than HRK 200.</p> <p>Tax liabilities, which are capable to be deferred include liabilities for taxes and other public levies, but except custom duties and excise duties.</p> <p>The applicant will be considered unable to pay the tax liability if:</p> <ul style="list-style-type: none"> - there is a decrease in revenues or receipts, as the case may be, in the month pre-ceding the month of application for tax payment relief amounting to least 20 % as compared to the same month of the previous year, or - he substantiates that his revenues or receipts will decrease by at least 20 % in the next three months as from the month of the application as compared to the same period of the previous year. <p>However, the deferral of the VAT is only available to entrepreneurs, whose revenues from the supply of goods and services in the previous year did not exceed the amount of HRK 7,500,000 (i.e. EUR 1,000,000), excluding VAT, and who determines the tax base according to the amount of actual supplies rather than the amounts collected (i.e. accruals method rather than cash method).</p> <p>In such a case, the entrepreneur must, in addition to the abovementioned conditions, prove that the outstanding VAT amounts arise from the issued, but outstanding invoices and pro-vide evidence that his liquidity has been (negatively) affected. Taxpayers may request a deferral for the settlement of VAT amounts, which are due within 3 months, beginning with the liability as due in April 2020.</p> <p>Payment deferrals apply for a period of three months from the statutory due date of each individual tax liability. An additional period of three months may be granted for deferred tax liabilities. Further, the scope of the deferred tax liabilities may be extended as to include tax liabilities that become due during the additional three months without assessment of interest, for which a new written and reasoned application must be submitted. The applicant, who will not be able to pay the deferred tax liability on its deferred maturity date, will be able to apply for an interest-free payment in instalments. The instalment payment can be approved in monthly instalments, up to a maximum of 24 months.</p>	Croatian General Tax Law
Suspension / extension of tax controversies' terms		
Others measures	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).	

¹³ With the contribution of Leitner Leitner

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<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 3,250.00 per month for a full-time employee • Amount of up to HRK 1,625.00 per month for a part-time employee • A proportion of the amount of HRK 3.250,00 or HRK 1.625,00 per employee for the time not worked due to the decision of the Civil Protection Staff <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>The aid can be used for 3 months. Payments will be made by the 15th of the month for the previous month. Applications shall be submitted from 23.3.2020.</p> <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 higher:</p> <ul style="list-style-type: none"> – than 40 % for employers employing up to 10 workers, – than 20 % for small businesses, – than 15 % for medium-sized businesses, – than 10 % for large businesses. <p>This does not include the expiry of fixed-term employment contracts, the retirement of employees and the dismissal of employees on grounds of conduct. Employers who are granted support for job preservation may not import foreign workers or hire new workers during the period of application of this measure.</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>Croatian General Tax Law</p>

2.8. CZECH REPUBLIC¹⁴



Number of Covid-19 cases:	2.663
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	Penalty on late filing of tax return has been pardoned for IIT and CIT taxpayers who are obligated to file by 1 April 2020 but file instead no later than 1 July 2020.	Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no 4/2020 of 16 March 2020
Suspension / extension of tax payments' terms	Late interest on late payment of income tax has been pardoned for IIT and CIT taxpayers who are obligated to pay the tax by 1 April 2020 but pay instead no later than 1 July 2020.	Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no 4/2020 of 16 March 2020
Suspension / extension of tax controversies' terms		
Others measures	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.	Resolution of the Minister of Finance no. MF-7108/2020/3901-2 published in Financial Gazette no 4/2020 of 16 March 2020
Individual taxation incentives / measures		

¹⁴ With the contribution of Dentons Europe CS

2.9. DENMARK¹⁵

	Number of Covid-19 cases:	2.201
	Existence of tax subsidies / measures:	Yes
	Date of last update:	25/03/2020

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	<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 proposed bill, the payment deadlines for the installments in April, May and June are postponed by 4 months.</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> <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 the proposed 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>	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.

¹⁵ With the contribution of Kromann Reumert

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<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>	
Suspension / extension of tax controversies' terms		
Others measures	<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.</p> <p>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 the proposed bill, the DKK 200,000 limit is raised to DKK 10 million. The increase is temporary for the period 25 March 2020 to 30 November 2020. Thereafter, the limit is DKK 200,000 again.</p> <p>The temporary increase is a consequence of the postponement of payment deadlines for payroll tax, labour market contribution and VAT, as these postponements are not optional but apply regardless of whether the company needs the postponement. Therefore, some businesses will have amounts in the bank at negative interest rates until the money can be paid to the tax administration at the postponed deadlines. This can be avoided by early payment into the tax account within the new limit of DKK 10 million.</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.</p>
Individual taxation incentives / measures		

2.10. FRANCE



Number of Covid-19 cases:	37.145
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<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>Portal of the Ministry for the Economy and Finance, as updated on 24 March 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 22 March 2020.</p>
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<p>All upcoming payment of direct taxes (CIT, payroll tax, etc.) can be deferred for three months without justification or prior authorization; tax payments for the month of March, if already made, can be refunded; penalties should not apply. It is unclear whether late payment interest at 0.2% per month will apply.</p> <p>Monthly payment plans of land and property taxes (including business property taxes) can be deferred; penalties should not apply. It is unclear whether late payment interest at 0.2% per month will apply.</p> <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>Portal of the Ministry for the Economy and Finance, as updated on 24 March 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 22 March 2020.</p> <p>French Tax Code, art. 1727 and 1731; BOI-REC-PREA-20-10 et s.</p>
Suspension / extension of tax controversies' terms		
Others measures	<p>Payment of social security contributions (employer and employee contributions, and supplementary pension contributions Agirc-Arrco) for the month of March can be deferred for three months without justification or prior authorization; penalties should not apply.</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>Portal of the Ministry for the Economy and Finance, as updated on 24 March 2020</p> <p>Portal of the Directorate General of Public Finances, as updated on 22 March 2020.</p> <p>French Social Security Code, art. R. 243-16, R. 243-20 and R. 243-21</p>

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

2.11. GERMANY

	Number of Covid-19 cases:	52.547
	Existence of tax subsidies / measures:	Yes
	Date of last update:	17/ 03/2020

The below measures have been announced by the authorities. No legislation is available yet.

1. Tax Measures to Secure Liquidity

The German Government intends to ease the financial situation of companies by

- (i) simplifying the granting of a (potentially interest free) deferral of tax payment due dates;
- (ii) allowing the adjustment (lowering) of prepayments for (corporate) income and trade tax;
- (iii) postponing of late payment charges and enforcement measures until 31 December 2020, provided that the tax payer is directly affected by the Covid-19;
- (iv) instructing the authorities administering air traffic taxes and customs duties, and the Federal Tax Office (*Bundeszentralamt*) (which is in charge of insurance tax and VAT) to act in accordance with the above with regard to these taxes.

2. Financial Shield

The German Government intends to support companies and entrepreneurs who are in financial troubles solely due to Covid-19 with liquidity. Based on the information provided, this shall be provided by way of financial guarantees for bank loans for the affected companies and entrepreneurs by the *Kreditanstalt für Wiederaufbau* (KfW), a bank fully owned by Germany (80%) and the German federal states (20%). The volume available for financial guarantees is approx. EUR 460 billion and may be increased to approx. EUR 553 billion on short notice.

3. Postponement of Insolvency Filing

The German Government intends to suspend the requirement of filing for insolvency until 30 September 2020, provided that the sole reason for the potential filing obligation is related to the fact that the announced measures of the German Government will not be granted in due course.

4. Reduced Working Hours

The German Government intends to ease the prerequisites applicable to enable companies and entrepreneurs to introduce reduced working hours (*Kurzarbeit*). The social security administration will refund the related social security contributions (*Sozialversicherungsbeiträge*).

5. Additional Measures – Federal States

Several Federal States have announced additional measures but no detailed information is available for the time being.

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	Ability for tax authority to reduce prepayments for (corporate) income and trade tax for 2020 upon application.	No change of law intended, official guidance from tax authority expected shortly
Indirect tax incentives / measures		
Suspension / extension of tax filings' terms		

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Suspension / extension of tax payments' terms	Ability for the tax authority to grant a (potentially interest free) deferral of tax payment due dates. Postponement of late payment charges and enforcement measures until 31 December 2020, provided that the tax payer is directly affected by the Covid-19.	No change of law intended, official guidance from tax authority expected shortly
Suspension / extension of tax controversies' terms		
Others measures		
Individual taxation incentives / measures		

2.12. GREECE¹⁶



Number of Covid-19 cases:	1.061
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	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		
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 from 11/3 to 30/4 for all businesses falling under the defined as affected categories ¹⁷ , provided that no employment agreements are terminated.	
Suspension / extension of tax controversies' terms		
Others measures	<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</p> <p>Measures regarding employment</p> <ol style="list-style-type: none"> 1) Any dismissals in businesses under lockdown as of 18/3 are null and void. 2) Employers may suspend employment agreements for one month. 3) 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. 4) Freelancers falling under the affected categories are also entitled to the above amount of Euros 800. <p>Measures regarding loans</p> <ol style="list-style-type: none"> 1) Business loans <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. 2) Other loans <ul style="list-style-type: none"> - Suspension of payments for three months. <p>Other measures</p> <ol style="list-style-type: none"> 1) Reduction of rental fees by 40% for businesses under lock down for March and April. 2) Reduction of rental fees by 40% for employees working in businesses under lock down for March and April. 3) Landlords affected by the above (under 1 & 2) reductions enjoy a suspension of tax obligations for 4 months. 4) State financing facilities in the form of refundable deposits are available under circumstances for the affected businesses. 	
Individual taxation incentives / measures		

¹⁶ With the contribution of Avramopoulos & Partners

¹⁷ 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.

2.13. HONG KONG¹⁸



Number of Covid-19 cases:	518
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		

¹⁸ With the contribution of Mayer Brown

2.14. IRELAND¹⁹



Number of Covid-19 cases:	2.415
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

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	Customs: critical pharmaceutical products and medicines will be given a Customs 'green routing' to facilitate uninterrupted importation and supply.	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
Suspension / extension of tax filings' terms	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.	1-3. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx
Suspension / extension of tax payments' terms	The application of interest has been suspended for late payments of VAT for January/February 2020 by SMEs* and for late payments of employment taxes for March 2020 by SMEs. <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>	Revenue press release (see above).
Suspension / extension of tax controversies' terms	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.	1 -3. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx
Others measures	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 SMEs 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. 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.	1 – 3. Revenue press release (see above). 4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/relief-from-excise-duty-for-the-manufacture-of-hand-sanitiser-products.aspx

¹⁹ With the contribution of A&L Goodbody

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>6. No employment tax (payments generally treated as benefits in kind (BIKs)) received by employees where:</p> <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 arise. This may include costs related to family members who were on holiday or due to go on holidays with the employee. <p>7. 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>5. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/corporation-tax.aspx</p> <p>6 -7. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p>
<p>Individual taxation incentives / measures</p>	<ol style="list-style-type: none"> 1. Payments of local property tax due on 21 March 2020 are now due on 21 May 2020 (two month extension). 2. See 6 above. 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). 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>1. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/revenue-services.aspx</p> <p>2-4. Revenue guidance - https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx</p>

2.15. ITALY



Number of Covid-19 cases:	92.472
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	<p>According to Law Decree n. 9/2020, 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.²⁰</p> <p>The new “Cure Italy” Decree (Law Decree n. 18 /2020, the “Decree”), issued to face the Coronavirus emergency, provides the following for donations (both in cash and in kind), made in 2020 to front this emergency, in favour of State, Regions, Municipalities and non-profit entities²¹:</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>)²² • If made by <u>entrepreneurs or companies</u> → a full deduction (with no threshold) from taxable income for CIT and regional tax purposes²³. <p>The relevant value of the donations in kind is determined according to specific provisions²⁴</p>	<p>Law Decree n. 9/2020; L. 166/2016; “Cure Italy” Decree (Law Decree n. 18/2020); 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>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>
Direct tax credits / incentives	<p>The Decree provides further 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 non-performing loans (NPL). To this extent, NPL are those past due for more than 90 days; ▪ The NPL 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 TILCF/unused NID can be converted for an amount up to 20% of the nominal value of the relevant assigned NPL subject to the additional condition that the NPL 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 NPL ▪ 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 required²⁵.</p> 	<p>“Cure Italy” Decree (Law Decree n. 18/2020); Law Decree n. 59/2016; DPCM 11 March 2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>

²⁰ Art. 31 of Law Decree n. 9/2020

²¹ 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

²² Art. 66, comma 1 of Law Decree n. 18/2020

²³ Art. 66, comma 2 of Law Decree n. 18/2020

²⁴ Articles 3 and 4 of the Decree of the Ministry of Labour and Social Policies dated 28 November 2019 (Art. 66, comma 3 of Law Decree n. 18/2020).

²⁵ 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 shops (with the exception of some activities, e.g. supermarkets, laundries, certain food stores, optical and photography materials shops, perfumeries, and others²⁶: 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/1²⁷. Note: recently Confindustria Moda president Claudio Marenzi wrote to landlords asking for a generalized commercial rent freeze during the coronavirus crisis. • <u>For entrepreneurs/companies and professionals</u>: tax relief (for 2020) of 50% of the costs of workplace sanitation (with a threshold of € 20.000 and a general cap at national level of € 50 million²⁸. • <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 30% 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 provided at national level²⁹. 	
<p>Indirect tax incentives / measures</p>		
<p>Suspension / extension of tax filings' terms</p>	<p>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 2020³⁰</p> <p>The definition of tax fulfilments appear wide enough to include many of those. Still not clear if also electronic invoicing could be considered a tax fulfilment for these purposes.</p> <p>This provision should not apply to non-residents persons: VAT obligations of the non-residents who applied for the direct identification for VAT purposes or appointed a tax representative in Italy should be out of the scope of the suspension</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 2020³¹) specific provisions have been introduced for tax fulfilments falling due from 21 February to 31 March 2020³²</p> <p>The Decree introduces 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 rulings³³</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 19 July 2020. 	<p>"Cure Italy" Decree (Law Decree n 18/2020); DM 24 February 2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>

²⁶ In details the tax relief does not apply to the activities listed in Annex 1 and Annex 2 of DPCM 11 March 2020

²⁷ Art. 65 of Law Decree n. 18/2020

²⁸ Art. 64 of Law Decree n. 18/2020

²⁹ Art. 98, comma 1 of Law Decree n. 18/2020

³⁰ Art. 62, commas 1 and 6 of Law Decree n. 18/2020

³¹ 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'.

³² Art. 1 of DM 24 February 2020

³³ Art. 67 commas 1-3 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"> The same suspension applies also with respect to advance pricing agreements for enterprises with international activities. 	
<p>Suspension / extension of tax payments' terms</p>	<p>In general, <u>for all taxpayers</u>, a suspension is provided for:</p> <ul 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, 20 March 2020³⁴ 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 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)³⁵ debit notices (<i>avvisi di addebito</i>) issued by the Italian Institution for Social Security 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 specific provisions granting the possibility to pay the amount of taxes/social contributions due without penalties and interest (<i>rottamazione-ter</i> and <i>saldo e stralcio</i>) <p>falling due from 8 March to 31 May 2020 → new deadline, 30 June 2020³⁶</p> <ul style="list-style-type: none"> The abovementioned suspension does not apply to payments (in full or in instalments) related to notices of irregularity (<i>avvisi bonari</i>), judicial settlements (<i>conciliazioni giudiziali</i>), mediation agreements (<i>accordi di mediazione</i>) and tax settlement agreements (<i>accordi di adesione</i>) <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 2020³⁷) 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, 31 May 2020 (possibility of payment in instalments) Payments, deriving from notice of payment (<i>cartella di pagamento</i>) and immediately enforceable tax assessment notice issued by the Italian Tax Authority (for direct taxes, regional tax, VAT), falling due from 21 February to 31 March 2020 → new deadline, 31 May 2020 (possibility of payment in instalments)³⁸ According to the Italian Tax Authority Circular n. 6/2020, only for these subjects the payment term of 20 days from the conclusion of the settlement agreement (art. 8. Legislative Decree 218/1997) remains suspended until 31 March (with payment due on 30 April) 	<p>DM 24 February 2020; Law Decree 9/2020; "Cure Italy" Decree (Law Decree n 18/2020); 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 Note dated 19 March 2020, n. 95986 and Determination dated 24 March 2020 , n. 98769</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>

³⁴ Art. 60 of Law Decree n. 18/2020

³⁵ 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 15 April 2020 pursuant to Art. 83 of Law Decree n. 18/2020 (see further below).

³⁶ Art. 68 of Law Decree n. 18/2020

³⁷ 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'.

³⁸ Art. 62 commas 4 and 5 of Law Decree n. 18/2020; Art. 1 DM 24 February 2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<ul style="list-style-type: none"> • Payments (and fulfilments) of social contributions, falling due from 23 February to 30 April 2020 → new deadline, 1 May 2020 (possibility of payment in instalments)³⁹ <p>With reference to the <u>Provinces of Bergamo, Cremona, Lodi and Piacenza</u>, a suspension is provided for:</p> <ul style="list-style-type: none"> • VAT payments falling due from 8 March to 31 March 2020 → new deadline, 31 May 2020 (possibility of instalments)⁴⁰ <p>With reference to <u>specific sectors</u> such as hospitality industry, management of theatres and cinemas, organization of events, transportation, sports clubs⁴¹, a suspension is provided for:</p> <ul style="list-style-type: none"> • Payments concerning withholding taxes on employees and payments of social contributions, due until 30 April 2020 (excluding Sports clubs and Sport federations) → new deadline, 31 May 2020 (possibility of payment in instalments) For Sports clubs and Sport federations the abovementioned payments are suspended until 31 May 2020 → new deadline, 30 June 2020 (possibility of instalments) • VAT payments falling due on March → new deadline, 31 May 2020 (possibility of payment in instalments)⁴² <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> <ul style="list-style-type: none"> • Payments concerning withholding taxes on employees and payments for withholdings concerning the regional and municipal surcharges • VAT payments • Payments of social contributions <p>falling due from 8 March to 31 March 2020 → new deadline, 31 May 2020 (possibility of payment in instalments)⁴³</p> <p>For <u>entrepreneurs/companies and professionals</u> with no more than <u>€ 400.000 of revenues</u> in FY 2019, <u>without personnel costs</u> in February 2020:</p> <ul style="list-style-type: none"> • revenues received in the period from 17 March to 31 March 2020 may be not subject to withholding taxes (at request) → the taxpayers shall pay itself the amount of the withholding taxes (not levied by the payer of the compensation) by 31 May 2020 (possibility of payment in instalments)⁴⁴. <p>For specific activities relating the transport sector⁴⁵, the payment of certain custom duties falling due between March 18 and April 30, seems to be also deferred by further 30 days (this is a provision included in an article labelled “Provisions on the road transport and people public transportation”)⁴⁶.</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)⁴⁷.</p>	

³⁹ Art. 5 of Law Decree n.9/2020

⁴⁰ Art. 62 comma 3 of Law Decree n. 18/2020

⁴¹ Revenue Resolutions n. 12/2020 and 14/2020 provided a (non exhaustive) list of these activities.

⁴² Art. 61 of Law Decree n. 18/2020

⁴³ Art. 62 commas 2 and 5 of Law Decree n. 18/2020

⁴⁴ Art. 62 comma 7 of Law Decree n. 18/2020

⁴⁵ Better identified in the Italian Customs Agency Note dated 19 March 2020, n. 95986 and Determination dated 24 March 2020, n. 98769, according to which the subjects provide also a self certification in order to attest the belonging to the before mentioned activities

⁴⁶ Art. 92 comma 3 of Law Decree n. 18/2020

⁴⁷ Art. 71 of Law Decree n. 18/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
<p>Suspension / extension of tax controversies' terms</p>	<ul style="list-style-type: none"> Hearings before tax courts are postponed after 15 April 2020⁴⁸ 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 15 April 2020⁴⁹. 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 15 April 2020 (however, the interplay of such suspension with the one provided under Art. 67 should be clarified)⁵⁰ <p>Revenue Circulars n. 5/2020 and 6/2020 clarified that this suspension also applies to settlement procedures (<i>accertamento con adesione</i>). However, 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>“Cure Italy” Decree (Law Decree n. 18/2020); 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><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></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 2020⁵¹) Law Decree 9/2020 introduced, a suspension of Chambers of Commerce fees (until 30 April 2020)⁵² and other specific provisions, e.g. relating to wage subsidies and certain fees due by professionals. The Italian Tax Police suspended “<i>until need ceased</i>” tax and labour inspections (except for urgent cases that cannot be postponed) and AML inspection activities; Italian Tax Authority press release (dated 24 March 2020), informed that tax offices are closed to the public from 18 March to 3 April 2020. Online services are operational. The Decree introduces further measures as follows: <ul style="list-style-type: none"> The statute of limitation (CIT, regional tax, VAT), for FY 2015 (and FY 2014 in case of omitted return) is extended by 2 years, until 31 December 2022⁵³ 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, proxy). The abovementioned provisions apply only to shareholder meetings held by 31 July 2020⁵⁴. Other specific work/financial incentives are provided but not strictly tax-related and then out of the scope of this report. 	<p>Law Decree 9/2020; DPCM 1 March 2020; Note n. 73943 dated 11 March 2020, of the Italian Tax Police; “Cure Italy” Decree (Law Decree n. 18/2020)</p> <p>Italian Tax Authority Circular n. 4/2020; Italian Tax Authority Circular n. 7/2020</p> <p>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>
<p>Individual taxation incentives / measures</p>	<p>The Decree provides 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>	<p>“Cure Italy” Decree (Law Decree n. 18/2020)</p>

⁴⁸ Art. 83 of Law Decree n. 18/2020

⁴⁹ Art. 83 of Law Decree n. 18/2020

⁵⁰ Art. 83 of Law Decree n. 18/2020

⁵¹ 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’.

⁵² Art. 7 of Law Decree n. 9/2020

⁵³ Art. 67 comma 4 of Law Decree n. 18/2020

⁵⁴ Art. 106 of Law Decree n. 18/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
		<p>Note: Law Decrees may be subject to amendments when converted into laws.</p> <p><u>According to the statements of the Minister of Finance, a new Decree with further measures is expected to be issued in April</u></p>

2.16. JAPAN



Number of Covid-19 cases:	1.693
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		

- 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.

2.17. LUXEMBOURG⁵⁵



Number of Covid-19 cases:	1.831
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

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	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.	
Suspension / extension of tax filings' terms	<p>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).</p> <p>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.</p>	
Suspension / extension of tax payments' terms	<p>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>).</p> <p>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>).</p>	
Suspension / extension of tax controversies' terms		
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 500k 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.	
Individual taxation incentives / measures		

⁵⁵ With the contribution of Loyens & Loeff

2.18. MALAYSIA⁵⁶



Number of Covid-19 cases:	2.320
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ⁵⁷	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>	

- 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.
 - 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

⁵⁶ Based on public available information gathered in coordination and with the support of Mayer Brown

⁵⁷ 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.

2.19. MEXICO⁵⁸



Number of Covid-19 cases:	717
Existence of tax subsidies / measures:	Yes
Date of last update:	20/03/2020

Type of tax subsidies / measures	Brief description & comments ⁵⁹	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.tfjfa.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

⁵⁸ With the contribution of Creel

⁵⁹ 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 ⁵⁹	Reference to the relevant tax law / regulation
Others measures		
Individual taxation incentives / measures		

2.20. NETHERLANDS⁶⁰

	Number of Covid-19 cases:	11.750
	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	<p>Measures unemployment insurance contribution</p> <p>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>	<u>Letter by the Dutch Cabinet to Dutch Parliament.</u>
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</p> <p>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 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></p> <p>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 current conditions, that however may be changed, a third party expert should substantiate in a statement that:</p> <ol style="list-style-type: none"> 1. there is an existing liquidity issue; 2. of a temporary nature; 3. which will be solved at a certain point in time; and 4. the business enterprise concerned remains viable. <p>A third party expert 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>	<u>Letter by the Dutch Cabinet to Dutch Parliament.</u>

⁶⁰ With the contribution of Loyens & Loeff

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<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 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> 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 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: 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> <p>At this stage it is not yet clear whether the Wage Subsidy will be limited to the maximum daily wage which the UWV always applies when providing social security benefits to (former) employees, such as unemployment benefits and long-term illness benefits. The maximum daily wage currently amounts EUR 219.28 per day or EUR 4,769.34 per month.</p> <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</p>	<p>Letter by the Dutch Cabinet to Dutch Parliament.</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>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>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</p> <p>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>		

2.21. NORWAY⁶¹



Number of Covid-19 cases:	3.845
Existence of tax subsidies / measures:	Yes
Date of last update:	27/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<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. 	
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 7 per cent until 31 October 2020. 	
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		
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. 	

⁶¹ With the contribution of Advokatfirmaet BAHR AS

2.22. POLAND⁶²

	Number of Covid-19 cases:	1.638
	Existence of tax subsidies / measures:	Yes
	Date of last update:	25/03/2020

Type of tax subsidies / measures	Brief description & comments ⁶³	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> <p>The indicated deduction may be made from income in the annual income tax return or when calculating advances during the year.</p>	Art. 3, 4 and 11 of Anti-Crisis Shield Act
Direct tax credits / incentives	<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>Exemption from civil law transaction tax (CLTT) loan agreements. Loan agreements concluded until 31 August 2020 will benefit from a CLTT exemption if the borrower is an entrepreneur whose liquidity has deteriorated due to negative economic consequences of COVID-19. There are no other conditions for the CLTT exemption than the borrower's status as an entrepreneur</p> <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>Excluding the application of regulations in income taxes concerning so-called bad debts. 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>	Art. 1 of Anti-Crisis Shield Act
Indirect tax incentives / measures	<p>Exclusion from the taxable base of so-called bank tax of the value of assets resulting from bank loan agreements granted to entrepreneurs affected by COVID-19, concluded since the Anti-Crisis Shield Act entry into force.</p> <p>Possibility of retrospective settlement of CIT and PIT losses</p> <p>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>	<p>Art. 1 of Anti-Crisis Shield Act</p> <p>Art. 3 and 4 of Anti-Crisis Shield Act</p> <p>Act Art. 3 and 4 of Anti-Crisis Shield Act</p> <p>Art. 4 of the Anti-Crisis Shield Act</p>

⁶² With the contribution of Wardyński & Partners

⁶³ 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>Excluding the application of income tax regulations concerning so-called bad debts to debtors who should take unpaid liabilities into account when calculating CIT and PIT advances</p> <p>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> <p>The possibility of waiving simplified advances in 2020 and calculating monthly advances on current income</p> <p>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>	
<p>Suspension / extension of tax filings' terms</p>	<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>Art. 4 of the Anti-Crisis Shield Act</p>
<p>Suspension / extension of tax payments' terms</p>	<p>Deadline extension until 20 July 2020 for payment of the minimum commercial property tax for March-May 2020</p> <p>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.</p> <p>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> <p>Deadline extension for taxpayers to transfer personal income tax advances collected in March and April</p> <p>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> <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>
<p>Suspension / extension of tax controversies' terms</p>	<p>Possibility of suspending tax related proceedings</p> <p>In a situation where a state of an epidemic threat or a state of epidemic is declared, the authority may suspend, ex officio or upon request, (1) proceedings or inspections carried out under the General Tax Act, (2) customs and fiscal inspections, (3) proceedings in cases regarding the name of an Internet domain used to organise gambling without a licence, permit or notification required by the Act, addressed to recipients of services in the territory of Poland. The decision on the suspension of a proceeding or an inspection has legal effect from the moment it is issued. The authority will deliver the decision</p>	<p>Art. 1 of Anti-Crisis Shield Act</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>immediately, and in any case not later than on the date of delivery of the decision to undertake a suspended proceeding or inspection.</p> <p>In addition, the Minister of Finance may, by means of a regulation, suspend the abovementioned proceeding or inspection, specifying the territorial scope of the suspension, the type of proceeding, the inspection to be suspended and the period in which the suspension is to take place, having regard for the duration of the emergency or epidemic and its effects. Suspension periods are not to be included in the time limits indicated for proceedings and inspections suspended under the Bill. The above-mentioned decision to suspend proceedings is not subject to appeal. An appeal is also to be excluded with respect to the decision to refuse taking up suspended proceedings.</p> <p>Possibility of suspending administrative enforcement proceedings of financial receivables.</p> <p>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>	
<p>Others measures</p>	<p>Temporary waiver of the extension fee for dividing tax payments into instalments or postponing the payment of taxes.</p> <p>Temporary waiver of the extension fee for extension of the payment deadline or division into instalments of social security contributions due for the period from 1 January 2020</p> <p>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.</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>Art. 1 of Anti-Crisis Shield Act</p>
<p>Individual taxation incentives / measures</p>	<p>Measures described in section “Indirect tax incentives / measures” and “Suspension / extension of tax payments’ terms” apply accordingly</p>	

2.23. ROMANIA⁶⁴



Number of Covid-19 cases:	1.452
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	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.	Government Emergency Ordinance no. 29/2020 regarding certain economic and fiscal-budgetary measures.
Indirect tax incentives / measures	The value of the percentage related to the clawback tax for the first quarter of 2020 is capped at the value of the fourth quarter of 2019. <i>Implementation, as soon as possible, of measures regarding VAT reimbursement in order to ensure the capital flow, are envisaged, according to the Ministry of Public Finance, but they have not been included yet in a normative act.</i>	Presidential Decree no. 195/2020 declaring State of Emergency in Romania.
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	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.	Government Emergency Ordinance no. 29/2020 regarding certain economic and fiscal-budgetary measures.
Suspension / extension of tax controversies' terms	All hearings in tax litigation are suspended.	Presidential Decree no. 195/2020 declaring State of Emergency in Romania.
Others measures	<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>Budgetary debts enforcement</p> <p>The measures regarding enforcement by garnishment 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>Restructuring of outstanding budgetary obligations</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>

⁶⁴ With the contribution of bpv Grigorescu Ștefănică

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<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>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>During the state of emergency, the SMEs and professional which have totally or partially interrupted their activity based on the decisions issued by the competent public authorities, in accordance to the law, during the state of emergency and holding the certificate of state of emergency issued by the Ministry of Economy, Energy and Business Environment, benefit from extension of deadline for payments for utilities - electricity, natural gas, water, telephone and Internet services, as well as from extension of deadline for payment of the rent for the building which are intended for headquarters social and secondary offices.</p> <p>Suspension of labor inspections</p> <p>During the state of emergency declared in Romania through the Presidential Decree no. 195/2020 declaring State of Emergency in Romania (the "Decree") - set on 16 March 2020 for a period of 30 days - specific inspections conducted by the territorial labor inspectorates at the employers are suspended.</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>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>Emergency Ordinance no. 30/2020 for the modification and completion</p>

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<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 capped at RON 2,381 (approx.. EUR 500) per month. The indemnity is paid by the employer and is subject to income tax and social security contributions payment, according to the legal provisions. Employers may only claim the settlement of the amounts representing the net indemnity received by the parent,</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 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 capped at RON 2,381 (approx. EUR 500) per month, provided by the state social insurance budget for 2020 providing that certain requirements are met. The indemnity is subject to income tax and social security contributions payment.</p> <p>Athletes and other professionals benefit from certain incentives.</p>	<p>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>

2.24. SINGAPORE⁶⁵



Number of Covid-19 cases:	802
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. 	

⁶⁵ 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.	

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.

2.25. SLOVENIA⁶⁶



Number of Covid-19 cases:	691
Existence of tax subsidies / measures:	Yes
Date of last update:	25/03/2020

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	The filing terms are extended for 2 months, both for business which have their business year equal and different from the calendar year.	
Suspension / extension of tax payments' terms	A deferment and/or a payment of instalments (of up to two years, or 24 instalments) may be opted for, wherein there is no accrual of late fees, and the conditions are less restrictive. Moreover, withholding tax and tax prepayments may also be applied for deferment or payment in instalments.	
Suspension / extension of tax controversies' terms		
Others measures	The conditions for applying for reduction of the prepayment of corporate income tax are less restrictive.	
Individual taxation incentives / measures		

⁶⁶ With the contribution of Leitner Leitner

2.26. SOUTH AFRICA⁶⁷



Number of Covid-19 cases:	1.280
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		

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.

⁶⁷ With the contribution of Werksmans

2.27. SOUTH KOREA⁶⁸



Number of Covid-19 cases:	9.583
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ⁶⁹	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. 	

⁶⁸ Based on public available information gathered in coordination and with the support of Mayer Brown

⁶⁹ 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.

2.28. SPAIN⁷⁰



Number of Covid-19 cases:	72.248
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	<ul style="list-style-type: none"> Only Navarra and the Basque regions of Alava and Bizkaia have approved extensions of tax filing terms (e.g., withholdings and VAT forms). 	Regional Decree-Law 1/2020, of March 18 (Navarra); Urgent Tax Decree 2/2020, of March 18 (Alava); and Regional Decree 1/2020, of March 17 (Bizkaia).
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 and self-assessments 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. 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. 	Royal Decree 465/2020, of March 14; and Royal Decree-Law 8/2020, of March 17
Suspension / extension of tax controversies' terms	<ul style="list-style-type: none"> Administrative procedures have been extended to April 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 20, 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 18, 2020: no suspension/extension. ✓ Notified from March 18 to April 30, 2020: counted from May 1, 2020. ✓ Notified after April 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; and Royal Decree-Law 8/2020, of March 17
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. 	Royal Decree-Law 8/2020, of March 17
Individual taxation incentives / measures		

⁷⁰ With the contribution of Cuatrecasas

2.29. SWEDEN⁷¹



Number of Covid-19 cases:	3.447
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		

⁷¹ With the contribution of Mannheimer Swartling

2.30. SWITZERLAND⁷²



Number of Covid-19 cases:	13.152
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	<p>Abatement (generally available) 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 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>Federal act on direct federal taxes (FTA) Cantonal tax laws Ordinance of the federal council re Covid-19 related finance matters dated 23 March 2020</p>
Indirect tax incentives / measures	<p>Abatement (generally available) 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 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>Federal act on value added taxes Ordinance of the federal council re Covid-19 related finance matters dated 23 March 2020</p>
Suspension / extension of tax filings' terms	<p>Extension of filing deadlines for tax returns (generally applicable) 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 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>	
Suspension / extension of tax payments' terms	<p>Adjustments of preliminary tax invoices (generally applicable) 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</p>	

⁷² With the contribution of Loyens & Loeff

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
	<p>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. <p><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>	
<p>Suspension / extension of tax controversies' terms</p>	<p>Suspension of debt enforcements procedures The federal government has suspended the possibility to start debt enforcements in Switzerland for the period between 19 March 2020 to 4 April 2020 pursuant to article 62 of the federal act on debt enforcement and bankruptcy. The suspension will tie in to the general debt enforcement holiday until 19 April 2020 pursuant to the Swiss debt enforcement and collection act.</p> <p>Suspension of civil and administrative proceedings Separately, the government also enacted a general suspension for civil and administrative proceedings until 19 April 2020. However, please note that the regular suspension does not apply to federal income taxes as the relevant act does not contain a suspension of deadlines. Therefore, measures taken by the federal council will not hinder legal deadlines with respect to these taxes.</p>	<p><u>Ordinance of the federal council re Covid-19 and suspension of civil and administrative proceedings dated 20 March 2020</u></p> <p><u>Ordinance of the federal council re Covid-19 and suspension of debt enforcement dated 18 March 2020</u></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 (status: March 23, 2020) <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). <p><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).</p>	<p><u>Ordinance 2 of the federal council re various measures in connection with Covid-19 dated 20 March 2020</u></p>
<p>Individual taxation incentives / measures</p>		

2.31. THAILAND⁷³



Number of Covid-19 cases:	1.388
Existence of tax subsidies / measures:	Yes
Date of last update:	16/03/2020

Type of tax subsidies / measures	Brief description & comments ⁷⁴	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		

⁷³ With the contribution of Mayer Brown

⁷⁴ 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.

2.32. UNITED KINGDOM



Number of Covid-19 cases:	17.093
Existence of tax subsidies / measures:	Yes
Date of last update:	24/03/2020

Type of tax subsidies / measures	Brief description & comments	Reference to the relevant tax law / regulation
Deductibility of gifts / donations		
Direct tax credits / incentives	100% relief from business rates (local property taxes) for the 2020/21 financial year for all businesses in retail, leisure and hospitality sectors. Grants of £10,000 will be made available to businesses eligible for small business rate relief, and a further £25,000 to businesses in the retail, leisure and hospitality sectors that operate from smaller premises.	
Indirect tax incentives / measures	VAT payment deferral (see below)	
Suspension / extension of tax filings' terms		
Suspension / extension of tax payments' terms	<p>VAT payments falling due between 20 March and 30 June 2020 will be deferred for three months.</p> <p>Individual income tax self-assessment payments that are due on 31 July 2020 will be deferred until 31 January 2021. This primarily benefits self-employed individuals, as payments to employees are made under deduction of tax.</p> <p>Existing "time to pay" facility remains in place, enabling HMRC to agree deferral of tax payments and waivers of interest and penalties on a bespoke basis for affected businesses. Additional resources have been allocated to address anticipated demand for this facility</p>	Non-statutory relief
Suspension / extension of tax controversies' terms		
Others measures	<p>The Government is deferring the introduction of new rules requiring large businesses to review the tax status of individual service providers engaged through personal service companies, and to withhold income tax and social security contributions if the individual would have been an employee but for the interposition of the service company. These were scheduled to be introduced on 6 April 2020, but will now be deferred for a year.</p> <p>The Government had proposed that HMRC would become a preferential creditor in an insolvency in respect of income tax and social security contributions withheld from employees and sub-contractors in the construction industry, student loan repayments, VAT collected from customers. The effect of this change would be that HMRC would recover debts in an insolvency before unsecured creditors and floating charge holders. This change was due to take effect from 6 April 2020, but has been postponed until 1 December 2020.</p>	Finance Bill 2020
Individual taxation incentives / measures	<p>Income tax payments due through self-assessment deferred (see above).</p> <p>The tax residence of individuals is determined, in part, by a day count test. Days spent in the UK due to exceptional circumstances (up to a maximum of 60 days) can be ignored when counting the number of days spent in the UK during a tax year. HMRC has confirmed that it will consider the following circumstances as exceptional:</p> <ul style="list-style-type: none"> • where an individual is quarantined or advised to self-isolate as a result of the virus • where official Government advice is not to travel from the UK as a result of the virus • where an individual is unable to leave the UK as a result of the closure of international borders <p>where an individual is asked by their employer to return to the UK temporarily as a result of the visa.</p>	HMRC Residence, Domicile and Remittance Basis Manual para RDRM 11005

2.33. USA



Number of Covid-19 cases:	122.654
Existence of tax subsidies / measures:	Yes
Date of last update:	29/03/2020

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 taxpayer who do not itemize deduction 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 works 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</p> <p>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>In Notice 2020-18 (restating and expanding Notice 2020-17) and related Questions & Answers, the due date for all federal income tax returns was extended from April 15, 2020 to 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 2020-18</p>
Suspension / extension of tax payments' terms	<p>All Federal income tax payments that were due on April 15, 2020, in respect of 2019 and all first quarter estimated income taxes that were due on April 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. 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> <p>https://www.mwe.com/insights/irs-clarifies-tax-filing-and-payment-deadline-extensions/</p> <p>https://www.mwe.com/insights/congress-passes-the-cares-act/</p> <p>Notice 2020-18 CARE Act, section 2302</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>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. The Internal Revenue Service (“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 being started and enforcement of Information Document Request procedures in current audits being suspended; • Liens and levies and payments due under existing instalment agreements and offers in compromise generally suspended; • Notification to the US Department of State of taxpayers with seriously delinquent tax accounts for passport renewal or receipt suspended; • Telephone hotline for taxpayer assistance closed. 	<p>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/</p>
<p>Others measures</p>	<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. 	<p>CARES Act, sections 2303, 2304, 2305, 2306, 2307, and 2308 https://www.mwe.com/insights/congress-passes-the-cares-act/</p>
<p>Individual taxation incentives / measures</p>	<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> <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>Stafford Act; I.R.C. 7508A; Rev. Rul. 2003-12. CARES Act, sections 2201, 2202, 2203. And 2206 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>

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