

Your regular COVID-19 update

13 May 2020



Country	Government Links	Articles from the local Baker Tilly teams / Key Measures
OECD	<p>GLOBAL OVERVIEW: Country by Country Tax Measures Database</p> <p>PODCAST: Covid-19 shock: What lessons can we learn for competition and global markets?</p> <p>WEBCAST: OECD Tax Talks 4 May 2020</p>	
Austria	<p>Austria COVID-19 Relief</p> <p>COVID-19 Gesetz Bill Approved by Parliament (in local language)</p>	<p>DAC 6 / EU-MPFG - Proposal by the EU Commission to postpone the reporting period</p> <p>COVID-19: What Happened So Far ...</p> <p>COVID-19: Negative equity in the annual financial statements</p> <p>Webcast: COVID-19 & Transfer Pricing (Friday, 8 May 2020)</p> <p>TPA webcast page (webcast in local language)</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Only healthy companies can take advantage of the Corona Aid Fund

		<ul style="list-style-type: none"> • Hardship Fund Update - No upper or lower income limit, multiple insurance policies are no longer grounds for exclusion, new founders are also supported (they receive a flat rate of EUR 500.00 per month for a maximum of three months) • Republic guarantees to secure working capital loans and direct grants to cover operating costs • Deadline for submitting the annual tax return was extended from the end of April and end of June to August 31, 2020. • Businesses can submit an application for a reduction in income or corporate tax advance payments for the calendar year 2020 to up to zero EURO until October 31, 2020. • Bonus payments up to EUR 3,000 to employees as a reward for special efforts during the COVID-19 pandemic are exempt from tax and social security payments in 2020; • Rules on relief for commuting expenses, e.g. lump-sum deduction, travelling tax credit and deduction for commuters remain fully applicable regardless of the time and days spent at home due to the COVID-19 pandemic; • Any support measures received from public funds to fight the COVID-19 pandemic are tax exempt; • Documents or official acts in connection with the COVID-19 pandemic are exempt from stamp duties;
Belgium	Official Information and Services Ministry of Finance Updates	Coronavirus: support measures and practical tips for employers and taxpayers (central resource updated as 12 May 2020) Protection for a company in difficulty Key Measures: <ul style="list-style-type: none"> • Reduced VAT rate of 6% applicable to inland supplies, intra-community acquisitions and importations of protective equipment from 4 May to 31 December 2020. • Filing deadline for FY2020 corporate income tax return: 24 September 2020; the online filing period starts on 9 June 2020. • Based on EU Regulation 883/2004 on the coordination of social security, cross border workers are in principle subject to the social security of the country where they work. However, if they spend a substantial activity in their residency state (which is a least 25% of their activity), they are subject to the social security scheme of their residency state. • CIT Return Submission: Companies with a balance sheet date between 1 October 2019 and 30

		<p>December 2019 may file their tax returns within 7 months from the balance sheet closing date. Companies with a balance sheet date before 1 October 2019 have to file returns within the existing deadlines.</p> <ul style="list-style-type: none"> • Corporate Tax Payment: In addition to the normal payment period and without the application of late payment interest, an additional two month deadline will automatically be granted. • VAT Returns: Deadline for filing for March and April is extended 7 May and 5 June respectively. • The deadline for paying VAT for February and March/Q1 2020 is automatically extended by 2 months. Also, the deadline for paying VAT with regard to the special VAT return nr. 629 of Q1 2020 is extended to 20 June 2020 (initially 20 April 2020). • In addition to this automatic deferral of payment, taxpayers can also apply for instalment payments of the debts relating to VAT • Quick VAT refund mechanism established • Social Security: Deferral of payment of social security liabilities for Q1 and Q2 2020 available upon request. • Deferral of wage tax payment deadline for April 2020 from 15 May 2020 to 15 July 2020. • Deferral of payment of property taxes • Modification of the advance tax payment regime – increase of the bonification of the 3 and 4Q of the financial year, and as such reducing the penalty for postponing prepayment to the second half of the year. The due dates for the tax prepayments remain unchanged as well as the general percentage of the tax increase in case of insufficient prepayments of 6.75%.
<p>Brazil</p>	<p>Normative Instruction 1930/2020 Ordinance 139/2020 Ordinance 158/2020 Provisional Measure 960/2020</p>	<p>Tax Updates Income Tax Update</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • President extends suspension of taxes under Drawback Regime for 1 year. Under the drawback regime, taxes normally levied on the import or purchase of goods in the internal market are suspended provided that the said goods are used or consumed in the manufacturing of products to be exported. The extension covers only the suspensions that had been extended for 1 year and the (extended) term for which would end in 2020. • Deadlines for payment of social security contributions related to March and April 2020 are postponed and may be paid at the same payment deadlines applicable to contributions related to July and September 2020.

		<ul style="list-style-type: none"> • Reduction from 60% to 0 of the import duty levied on products up to 10,000 USD imported through international postal or airmail delivery until 30 September 2020. • Payment of the FGTS of these months in installments, without triggering interest and penalties, in up to six installments, with due date on the 7th of each month, as from July 2020. • Extension, until 31 December 2020, of minimum installment amount necessary for the request of installment to PGFN or RFB.
Cyprus		<p>Tax Alert Cyprus</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Extension of the deadline for the payment of the contributions to the Social Insurance Fund and other funds administered by the Social Insurance Department. The extension covers contributions on employees' insurable earnings for March 2020 which were due by 30 April 2020. The new deadline for the payment of the related amounts is 14 May 2020. Payments already made relating to March 2020 contributions will be considered as an overpayment and will be credited in favor of the employer. • Goods needed to combat the effects of the COVID-19 pandemic are exempt from import duties and VAT on importation • VAT Returns: The deadline for the submission of the monthly VAT returns for March 2020 to June 2020 is set for the 27th of the following month. The deadline for the submission of the monthly VAT returns for January 2020 to March 2020 to be submitted by 27 April 2020. As of April, monthly VAT returns are to be submitted by June 2020.
Finland	<p>Government- General Information European Union approves staid aid for Finland</p>	<p>Government proposes extensive economic measures to minimise the impact of the coronavirus epidemic</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • The interest rate for late payment has been reduced to 4% (from 7%) for payments due after 1 March 2020 until 31 August 2020. • Extension for annual tax return within 5 months after the end of the financial year • A taxpayer can request certain payment arrangements for taxes • EU approves emergency package for Finland which includes direct grants, equity injections, selective tax advantages and advance payments, as well as repayable advances, state guarantees and loans. The aid package is open to all companies, with the exception of companies active in the primary agricultural, fishery and agricultural sectors.

<p>Germany</p>	<p>Federal Office of Economy COVID-19 Updates</p> <p>COVID-19 Social programs</p> <p>European Commission approves umbrella aid</p>	<p>News and Updates around the Corona Crisis (central resource in local language)</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Reduced VAT rate of 7% to supplies of food in restaurants and bars from July 1 2020 (applies for period of 1 year until 30 June 2021) • Corporate Tax Payment: Late-payment penalties is to be granted until 31 December 2020 • Corporate Tax Advances: Taxpayers may adjust advance payments • Social Security Contributions: May defer if immediate collection would be accompanied by significant hardships for the company, such as serious financial difficulties. • Deferrals or reductions of corporate income and trade taxes may be granted if companies prove to be directly affected by the corona-crisis. • Bonuses in cash or in kind received by employees in addition to their regular salaries during the period from 1 March 2020 to 31 December 2020 as reward for special efforts due to the COVID-19 pandemic will be exempt from tax and social security payments. • Transfer Pricing: Corona crisis: effects on value chains and transfer prices (in local language). • Extension of the deadline for submitting tax returns for 2018 on request • Liquidity Support - taxpayers in need of liquidity can apply for a refund of tax prepayments made in 2019 and the first prepayment made in 2020 on 10 March based on a lump-sum determination of losses for the current tax year. The lump-sum based determined amount of loss carry-back from 2020 is 15% of the relevant income which served as a basis for the determination of the tax prepayments for 2019 with a maximum of EUR 1 million (EUR 2 million in the case of joint assessment). • Deadline Extension for Wage Withholding Tax Declaration extended by a maximum period of 2 months
<p>Greece</p>	<p>Public Revenue Authority News</p> <p>Tax Residence during COVID-19 (in local language)</p> <p>Circular E.2056.</p>	<p>Tax Guide Greece 2020</p> <p>Greece - Business Protection Framework</p> <p>COVID 19 - Business and Employee Support Measures</p> <p>COVID 19 - Measures to support businesses and employees for the month of April</p> <p>Greece - Tax Obligations - April - May - June 2020</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Extended deadline for filing contract lists pertaining to the first quarter of 2020 from 22 April to 20 July 2020. As a result, contract lists

		<p>pertaining to January, February and March 2020 can be, exceptionally, filed until the latter date.</p> <ul style="list-style-type: none"> • VAT exemption for the supply of goods in the form of donations of movable and immovable property for charitable purposes, until 14 November 2020. • Accelerated refunding of income tax and VAT of up to EUR 30,000 for all pending tax audit cases. • Government to grant 25% reduction for certain certified tax debts • 4 month extension for payment of real estate tax when the owner is an individual • Reduced VAT rate for products necessary for the protection from COVID-19 from 34 to 6% until year end • Reduced payments for commercial, primary residence and financial leases • Reduction of the VAT rates from 24% to 6% for hygienic masks and gloves, antiseptic solutions, wipes and other preparations, soap and other items for personal hygiene, and ethyl alcohol until 31 December 2020. • The deadline for payment of excise duty, VAT and other charges corresponding to ready-to-drink alcoholic beverages and other alcoholic beverages is extended to 25 June 2020 (for beverages that ceased to be under a suspension status in March 2020) and to 25 July 2020 (for beverages that ceased to be under a suspension status in April 2020). • A set-off on certified VAT liabilities with a payment date from 1 May 2020 onwards, equal to 25% of the March VAT payable, is granted provided that the later amount is paid on time. It is important to note that, under the act, businesses that have been financially affected as per their Activity Code Numbers (ACN), or their activities have been suspended under a decision of the Greek State can make use of this measure.
<p>Guatemala</p>	<p>Government Actions against COVID-19</p>	<p>Decree 12 2020 Publication and Analysis</p> <p>COVID-19 Updates</p> <p>Client Communication COVID-19 Measure implemented in Guatemala</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Temporary emergency tax on public officer's salaries is proposed and is under analysis by Congress. The tax aims to create a fund to combat the COVID-19 pandemic. • The Social Security Institute has granted a deferred payment option for private employers' social security contributions for March, April and

		<p>May 2020. These contributions may be paid as follows:</p> <ul style="list-style-type: none"> – during July, August and September 2020; or – split into 18 instalments payable as from July 2020. <p>Employee social security contribution payments are not deferred and must be paid monthly.</p> <ul style="list-style-type: none"> • Tax Authorities publish procedure for individual taxpayers to request tax payment agreements. The SAT may grant the possibility to make tax payments in up to 18 monthly instalments, during which period penalties and interest will not be imposed. However, income tax withholding, VAT and VAT withholding payments are not covered by the payment agreement procedures. • Current deadlines for withholding income tax is now 28 April 2020 and for VAT, 5 May 2020 • Payments must be made when filing the return • Taxpayers subject to Solidarity Tax obligations may defer the Q2 payment until 30 September 2020 without generating any penalty, fine or surcharge. However, taxpayers benefiting from this measure may not lay off workers until the payment is completed.
<p>Indonesia</p>	<p>Ministry of Foreign Affairs of the Republic of Indonesia</p> <p>Official Government Tax Regulations PKM No. 44 Expansion of qualifying taxpayers</p>	<p>The Indonesian Government has taken action via a Tax stimulus</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • The Ministry of Finance has expanded the list of qualifying taxpayers and industries eligible for income tax and value-added tax incentives. The incentives will now be available to the logistics, education, recreation, health services and retail sectors. In addition, small and medium-sized enterprises (SMEs) are eligible for final tax exemptions from April to September 2020. • VAT and tax exemptions on the supply of medicines, medical equipment and other related services that are necessary in handling the COVID-19 pandemic. • Employee Income Tax of an employee who has an income up to IDR 200 Million in the manufacturing industry will be borne by the Government within 6 (six) months commencing from April to September 2020 • Income tax exemptions of article 22 of 19 certain sectors within 6 months commencing from April to September 2020. • Income Tax reduction up to 30% of Article 25 of 19 certain sectors within 6 months commencing from April to September 2020

		<ul style="list-style-type: none"> • Accelerated VAT refund of 19 certain sectors within 6 months commencing from April to September 2020 • The government will bear the cost of employee income tax for the months of April - September 2020 for employees who receive income from an employer that has a business classification reported on its 2018 corporate income tax return as among those classifications listed in the Attachment A of PMK-23, or is declared as a company granted with import facility for export purposes. • Corporate and individual taxpayers are still required to file their tax returns by 30 April 2020 for the fiscal year ended 31 December 2019, however, as a concession, taxpayers have until 30 June 2020 to file the complete financial statements and various required documents, provided that they notify the tax authorities online. This concession does not apply to taxpayers declaring overpayments of tax and requesting for refunds to be expedited, or to taxpayers submitting the simplified tax returns after 30 April 2020. • Submission of the complete financial statements and various required documents must be made by 30 June 2020 using an amended tax return form. • No penalty will be imposed for the late submission of the annual tax return, but the late payment penalty of 2% per month is applicable for any underpayment of tax if the tax return is submitted after 30 April 2020.
Israel	<p>Additional Steps to Assist Businesses and the Self-Employed: Easing of a Series of Regulatory Restrictions</p> <p>Tax authority updates</p>	<p>Government Assistance Program for Corona Virus Affected Businesses (in local language)</p> <p>Stop Social Security Payment for Workers Who Are Abroad (in local language)</p> <p>Second beat for self-help grant due to the spread of corona virus (in local language)</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • The Treasury Department eased the conditions for granting an independent aid grant due to the spread of the Corona virus, in order to expand the scope of aid to small and medium businesses and the self-employed population whose income declined significantly during this period. • Grants will be awarded to businesses amounting to NIS 6 billion • Sharp reduction in business tax rate at 25% annual rate: Targeted reduction in affected industries, under which businesses will enjoy a three-month free municipal tax (March-May). The reduction will be funded by the government and local government

		<ul style="list-style-type: none"> The period between 22 March 2020 and 31 May 2020 will not be counted as calendar days when determining the tax-related deadlines.
Italy	Measures taken by the government Italian Ministry of Finance Updated FAQ Covid-19	<p>Additional Italian tax measures to face COVID19</p> <p>Key measures:</p> <ul style="list-style-type: none"> Qualifying individuals will have the possibility to amend the pre-filled income tax return for FY2019 and transmit it to the tax authorities by 30 September 2020. For qualifying enterprises with tax domicile, legal seat or operational seat in Italy and that operate in specific listed sectors, VAT payments due in March 2020 are suspended and the deadlines for payments of social security contributions and employers' withholding taxes expiring between 2 March 2020 and 30 April have been suspended. The suspended payments can be fulfilled in a single installment by 31 May 2020 or in 5 equal monthly installments starting from May 2020. The deadlines for all tax obligations expiring between 8 March and 31 May 2020 have been suspended and must be fulfilled by 30 June 2020 All the tax and social security payments due within the 16th March have been deferred to the 20th March Bonus for certain categories of workers, a tax credit of 50% of the costs borne by enterprises and professionals to sanitize spaces and work instruments, a tax credit of 60% of the amount of the rental fee of March for shops and the deductibility for income tax purposes of 30% of the donations to finance measures related to the containment of COVID-19 (up to a maximum amount of EUR 30,000). Temporary unemployment benefits for employees, moratorium on bank loan repayments for small and medium-sized businesses and measures to support credit to companies.
Kenya	Tax Laws Amendment Bill 2020	<p>Key Measures:</p> <ul style="list-style-type: none"> The following exemptions have been repealed: <ul style="list-style-type: none"> dividends received by registered venture capital companies, special economic zone (SEZ) enterprises, developers and operators licensed under the Special Economic Zones Act; gains arising from trade in securities listed in any securities exchange operating in Kenya by any dealer licensed under the Capital Markets Act; interest income generated from cash flows passed to the investor in the form of asset-backed securities; and

		<ul style="list-style-type: none"> – dividends paid by SEZ enterprises, developers or operators to non-residents. • Finance Bill 2020 introduces a variety of measures ranging from the introduction of a digital services tax, a minimum tax, non-deductibility of certain expenses when computing taxable income, to the provision of tax amnesty through a voluntary disclosure programme to be administered by the tax authorities. The Bill will apply from 1 January 2021. • Reduction of the resident corporate income tax from 30% to 25% • Reduction of the top PAYE rate from 30% to 25% • A 100% tax relief for individuals earning gross monthly income of up to KES 28,800 (generally classified as “low income earners”) • Individual income tax rates have been revised. • VAT fuel rate increased from 8 to 14% • Concessionary income tax rates for certain companies have been repealed. • Withholding tax on dividends paid to non-residents have been increased from 10 to 15%. • Turnover tax provisions have been revised.
Luxembourg	<p>COVID-19 circulars to municipalities and similar entities (in local language)</p> <p>Grand Ducal Regulation of 18 March 2020 introducing a series of measures in the context of the fight against COVID-19</p>	<p>New financial aid for companies with up to 20 employees</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Possibility to defer of the payment of VAT. The request must be filed online through MyGuichet.lu. • In the event of incapacity for work, the employee is entitled to continue to receive his salary from his employer until the end of the month in which the 77th day of incapacity for work falls • Businesses of all sizes and self-employed persons may receive, under certain conditions, assistance in the form of a repayable advance. The amount of aid may not exceed the sum of EUR 500,000 per single business and covers a maximum of 50 % of the allowable costs (rent costs, capped at EUR 10,000 per month, and the personnel expenses) between 15 March 2020 and 15 May 2020. • A cancellation of 1st and 2nd quarter 2020 tax advances for corporate income tax and municipal business tax. • A four-month-extension of payment deadline for corporate income tax, municipal business tax and net wealth tax.

<p>Malaysia</p>	<p>Coronavirus Disease 2019 (COVID-19) Inland Revenue Board Of Malaysia FAQ RENTAL REDUCTION Amended Return Filing Program.</p>	<p>A. Communication is Vital To Business Survival B. Leading People Remotely C. The Arm's Length Principle in Times of Uncertainty</p> <p>Key Measures:</p> <ul style="list-style-type: none"> Guidelines for application for approval by the Ministry of Finance (MOF) under section 44(11C) of the Income Tax Act 1967 (ITA) have been published. Extension of time will be given until 30 April 2020 for the submission of Form Q, Forms CP204, Form CP204A, submission of the tax audit/investigation documentation. CbC reports and notifications that were either due 31 March 2020 or 30 April 2020 are now due 15 May 2020. Wage subsidy - Aid employers experiencing a decrease in more than 50% of their revenues since January 2020. Sales & Service Tax: Payment of sales tax and service tax which are due on 31 March 2020 and 30 April 2020 are now extended to 31 May 2020.
<p>Malta</p>		<p>Malta Fiscal Response Package Covid-19</p> <p>Key Measures:</p> <ul style="list-style-type: none"> Malta has introduced provisions on a tax credit for construction waste recycling. Under the rules, an authorized person that, during a relevant year, provides services consisting of the acceptance of construction and demolition material from third parties, at a fee not exceeding EUR 12 per tone, may claim a tax credit equivalent to 5% of the gross fees received for the provision of those services. Any such tax credit should not exceed the tax chargeable on the income derived by the authorized person during that year from the provision of those services. Eligible taxes (excluding VAT) are to be settled in 4 equal monthly instalments between May and August 2020. VAT dues are to be settled in 2 equal instalments with the 2 quarterly VAT returns immediately following the quarter whose dues would have been deferred. Deadline for the payment of the provisional income tax and social security contributions for April 2020 is extended to 31 May 2020 instead of 30 April 2020. Deadlines for the electronic filing of corporate income tax returns are extended. The extensions apply only to the electronic filing of tax returns, and not to the related tax payments.

<p>Mexico</p>	<p>Bank support COVID-19</p> <p>State Tax Measures and reliefs</p> <p>Legal Guide for COVID-19</p> <p>Economic Measures for Employee Support</p> <p>Social Security Contribution Support</p> <p>Payment Plan with IMSS</p>	<p>Webcast on International Support Programs</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • The Tax Administration Service (<i>Servicio de Administración Tributaria</i>, SAT) has published Q&As to address the application of rule 3.17.4., introduced by the fifth version of the First Amending Resolution to the Miscellaneous Tax Resolution for fiscal year 2020, by means of which individuals are given the possibility to pay income tax due in 2019 in up to six monthly instalments. • No CIT or VAT deferrals, reductions or reliefs have been granted • Social security contributions (25% as an average of payroll costs) can be paid 12 to 24 months after the state of health emergency is lifted • Local incentives for State taxes such as payroll and lodging are available • Accelerated VAT Refunds and trade and customs facilitations are in place • Temporary support from Banks for natural and legal persons • The Mexican Social Security Institute (IMSS) announced employers may request an instalment agreement for the payment of social security contributions debts, under one of the following payment schemes: <ul style="list-style-type: none"> – up to 12 monthly instalments, at a monthly interest rate of 1.26%; – from 12 to 24 monthly instalments, at a monthly interest rate of 1.53%; and – from 24 to 48 monthly instalments, at a monthly interest rate of 1.82%. • Employers requesting an instalment agreement are required to make a down payment of 20% of the social security contributions due by the employer and of 100% of the social security contributions due by employees.
<p>Morocco</p>	<p>Government website</p> <p>Tax Circular on tax treatment of assistance allowance</p>	<p>Webcast Economic Measures To Deal With Pandemic Covid-19</p> <p>COVID 19 – How to defer payment due dates</p> <p>Key measures:</p> <ul style="list-style-type: none"> • Assistance allowance (MAD 2,000) granted to employees in temporary cessation of activity. The circular provides that the allowance is capped at 50% of the average net salary after tax. However, the allowance granted is to be included in the computation of the 50% ceiling. It also provides that the average net salary after tax is calculated on the basis of the first 2 months of the year 2020. Remuneration and bonuses granted on an <i>ad hoc</i> or exceptional basis are excluded.

<p>Netherlands</p>	<p>Government of Netherlands</p> <p>Coronavirus: Dutch government adopts package of new measures designed to save jobs and the economy</p> <p>Coronavirus: additional measures introduced on 23 March</p> <p>Press release on updated tax measures (in local language)</p> <p>Letter from the Secretary of State describing measures available (in local language)</p>	<p>Update: New VAT Rules For The E-Commerce Sector From 2021</p> <p>Clarification of investment deduction for joint ventures</p> <p>Changed conditions NOW worked out</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Tax payment deferral of individual income tax, VAT, turnover tax, income tax, tax on wages and corporation tax where the enterprise provides a written statement reporting the challenges and issues that it has encountered due to the coronavirus crisis. The emergency deferral regime applies until 19 June 2020. <p>The taxes covered by the emergency measures will be extended to include the gambling tax, insurance premium, the landlord charge, the energy tax and ODE, coal tax, waste tax, the tax on tap water, excise on mineral oils, alcohol and tobacco, consumption tax on non-alcoholic drinks and comparable taxes in the Caribbean part of the Netherlands.</p> <p>The form is available on Tax Authorities website.</p> <ul style="list-style-type: none"> • Interest rate for late payment, late filing and incorrect filing temporarily reduced • Compensation for 90% of the eligible payroll costs if an employer expects and ultimately experiences a decline in turnover of 20% or more as a result of the COVID-19 pandemic. • Change of deemed income rules so that directors/major shareholders may temporarily reduce the income they are deemed to receive in proportion to the revenue loss incurred due to the COVID-19 pandemic. • Under the work-related expenses scheme, an employer may grant tax-free general compensation of 1.2% of the total salary for tax purposes of all employees. Any excess is taxable at a rate of 80%. From 1 January 2020, for the first EUR 400,000 of total salary for tax purposes, the percentage is increased from 1.2% to 1.7%. • In order to create more financial room for employers, for 2020, the percentage for the first EUR 400,000 of total salary for tax purposes is increased from 1.7% to 3%. • Taxpayers subject to corporate income tax can set off any loss against the profits for the preceding year and for the next 6 years. For entrepreneurs subject to income tax, the carry-back is 3 years, and the carry-forward 9 years. • Taxpayers may form a reserve ("corona reserve") up to the amount of the expected loss for 2020, and set this off against any 2019 taxable income. The amount of the reserve may not exceed the total taxable income for 2019. Taxpayers can receive a refund of any taxes paid (and payable) by
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		<p>requesting a new preliminary corporate income tax assessment.</p> <ul style="list-style-type: none"> • Substantial shareholders borrowing more than EUR 500,000 from their "own" company will be taxed at the rate applicable to Box 2 income (i.e. income from substantial shareholdings, currently 26.25%) on the amount exceeding that threshold. • Temporary suspension of mortgage payments for up to 6 months during COVID-19 pandemic for taxpayers who, between 12 March and 30 June have notified their mortgage lender that they wish such payment suspension.
New Zealand	Media Releases	<p>Covid-19 News Hub</p> <p>Tax Talk Loss carry back rules, small business loans and other relief</p> <p>Key Measures</p> <ul style="list-style-type: none"> • Temporary tax loss carry-back regime allowing tax losses to be carried back 1 year. • Increased administrative flexibility for Inland Revenue to modify due dates for filing tax returns and making tax payments for taxpayers impacted by COVID-19.
Peru		<p>Legal Commentary on Remote Work decreed by the Government (in local language)</p> <p>The reduction of the default interest rate applicable to delinquent tax debts is provided. (in local language)</p> <p>Executive Legal Management Report (in local language)</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Requirements for deducting the deterioration of inventory for CIT purposes are modified. • Extended deadline for reporting financial information to the tax administration (<i>Superintendencia Nacional de Administración Tributaria, SUNAT</i>) to 31 July 2020. • Amended Income Tax Law rules by including new provisions on determining income tax advance payments for April, May, June and July 2020. • Legislative Decree 1471 establishes the following rules: <ul style="list-style-type: none"> – taxpayers must compare the net profits realized in April, May, 2020 and July 2020 to those realized in the same months in fiscal year 2019; – if the net profit realized in any of the above months in 2020 is at least 30% lower than that obtained in the same month in 2019, the obligation to make income tax advance payments is suspended. However, taxpayers are still required to file the relevant tax return; and

		<ul style="list-style-type: none"> – if the net profit realized in any of the above months in 2020 is lower (up to 30%) than that obtained in the same month in 2019, income tax advance payments for April, May, June and July 2020 must be determined by applying a statutory factor (i.e. 0.5846) to the relevant monthly advance payment (calculated in accordance with article 85 of the Income Tax Law).
<p>Poland</p>	<p>Polish Government Coronavirus Amended tax measures in Official Journal no. 695/2020 (in local language)</p>	<p>Transfer Pricing In The Face Of The Economic Crisis</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Entities providing audio-visual media services on demand (such as Netflix, VOD) will be subject to a 1.5% charge on the revenue derived from the fees for the access to publicly available audiovisual media services on demand or from posted commercials, should the latter be higher in a given accounting period. Foreign entities will be subject to the special charge to the extent that the revenue from the media services is derived in Poland. The special charge will be contributed to the Polish Film Institute and will come into force on 1 July 2020. • The deadline for submitting annual CIT return and paying corporate income tax (CIT) for 2019 for all taxpayers (whose tax year started after 31 December 2018 and ended before 1 April 2020) is postponed from March 31 to May 31, 2020. In the case of NGOs, the declaration can be submitted until July 31, 2020. • Under the same conditions, entrepreneurs employing 10 to 49 employees are entitled to a 50% exemption from social security contributions for a period of 3 months. The exempted amount does not constitute taxable income for the entrepreneurs and the employees. • Entrepreneurs and non-governmental organizations whose liquidity has decreased due to COVID-19 may benefit from <ul style="list-style-type: none"> – deferment in payment of the real estate tax, otherwise due in April, May and June, until 30 September 2020; or – exemption from the real estate tax for part of the year 2020. • Late payment interest payable by taxpayers on tax arrears may be partially or fully waived in the period of COVID-19. • The following deadlines have been extended: <ul style="list-style-type: none"> - the deadline for filing local transfer pricing documentation for certain taxpayers is extended until 30 September 2020;

		<ul style="list-style-type: none"> - the deadline for payment of tax on commercial properties for the months from March to May (otherwise due by the 20th day of the following month) is extended until 20 July 2020; - the deadline for filing individual income tax returns is extended from 30 April to 30 June 2020; accordingly, the deadline for individual taxpayers to transfer and declare donations to designated organizations or for designated purposes, including the strive against effects of COVID-19, is extended until 30 June 2020 (see below); - the deadline for filing corporate income tax returns may be extended until 31 May 2020 (otherwise 31 March).
Portugal	<p>Government and COVID-19 Tax Measures and Legislation Law 2/2020 (in local language) Presidential Decree 20-A/2020 (in local language) Order no. 153/2020-XXII</p>	<p>Incentive To The National Production Of Goods And Services To Combat Covid-19 COVID-19 Flexibility of Payments - Procedures to be adopted Non-habitual residents tax regime (The NHR tax benefits) Covid-19 Publications (central resource)</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • Tax benefits for those qualified under the NHR tax regime - Exemption on foreign income, special flat tax rate of 10% applicable to pension income paid by foreign entities and special flat tax rate of 20% applicable to income arising from the carrying on of a high added-value activity. • Reinforcement of measures to relax tax obligations in the field of VAT • CIT Returns Submission: Extended to July 31, 2020 (usual due date May 31) without penalty. • Corporate Tax Payment: Extended to July 31, 2020 (usual due date May 31) without penalty. • Corporate Tax Advances: 1st CIT prepayment extended to August 31, 2020 (usual due date July) without penalty. • VAT/WHT Payment: Payment of VAT and withholding taxes on IRC and IRS may be paid in instalments, up to the limit of 6 months (with the application of interest on arrears only in the last 3 months). • Portugal has extended for a second time the period of state of emergency, from 17 April to 2 May 2020. All extraordinary tax measures valid for the period of the state of emergency (i.e. from 18 March 2020 onwards) will therefore continue to apply at least until 31 July 2020.

- Deadlines extended as follows:
 - Simplified business information return (in-
formação empresarial simplificada): delivery
deadline extended to 7 August 2020.
 - Tax file (dossier fiscal) and transfer pricing file:
deadlines for the preparation and/or delivery
extended to 31 August 2020.
 - Delivery of corporate income and personal in-
come withholding taxes:
 - Assessed in April 2020: payment until 25
May 2020.
 - Assessed in May 2020: payment until 25
June 2020.
 - Stamp duty:
 - Assessed in April 2020: payment until 25
May 2020.
 - Assessed in May 2020: payment until 25
June 2020.
 - VAT:
 - Monthly regime:
The April 2020 and the May 2020 monthly
VAT returns can be filed until 18 May
2020 and 18 June 2020, respectively.
The payment of the VAT assessed can
be made until the 25th day of the month
of delivery of the return. Payment in in-
stalments remains available for eligible
taxpayers.
 - Quarterly regime:
The quarterly VAT return pertaining to the
January-March 2020 period can be filed
until 22 May 2020. The payment of the
tax assessed can be made until 25 May
2020. Payment in instalments remains
available for eligible taxpayers. The April
2020 and the May 2020 monthly VAT re-
turns can be filed until 18 May 2020 and
18 June 2020, respectively. The payment
of the VAT assessed can be made until
the 25th day of the month of delivery of
the return. Payment in instalments re-
mains available for eligible taxpayers.
The quarterly VAT return pertaining to the
January-March 2020 period can be filed
until 22 May 2020. The payment of the
tax assessed can be made until 25 May
2020. Payment in instalments remains
available for eligible taxpayers.

<p>Romania</p>		<p>Amendments regarding the holding of General Meetings of Shareholders in the context of Covid-19</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • The deadline for payment of Tax on buildings, Tax on lands, and vehicle taxes is postponed until the 30th of June 2020, while the 10% discount for a one-off payment is maintained. • Micro-enterprises and small and medium taxpayers will benefit from a 10% tax reduction while large taxpayers will have a 5% discount. • Postponement of VAT payment for companies importing COVID-19 test kits, protective equipment and disinfectants, medical equipment and medicines to treat the people who have contacted the virus, during the entire state of emergency and 30 days after its cessation. • Corporate taxpayers which apply the annual computation system, and hence perform quarterly advance payments based on prior year's profits, may pay corporate tax determined based on the taxable profit actually computed for each quarter in 2020. This applies irrespective of whether the fiscal year matches the calendar year.
<p>Slovenia</p>	<p>European Commission approves emergency fund for Slovenia</p>	<p>Covid-19-virus relief measures</p> <p>Notification about intervention measures, taken by the Government of the Republic of Slovenia, due to Covid-19 epidemic</p> <p>Key Measures:</p> <ul style="list-style-type: none"> • On 29 March 2020, the Slovenian government presented the economic stimulus program worth around EUR 3 billion on Sunday. The stimulus package was increased from originally 2 to 3 billion. • Postponement of deadlines for filing tax returns to May 31, 2020. • European Commission approves "umbrella" state aid scheme to support the economy of Slovenia in the form of direct grants, wage subsidies, exemption from paying social security contributions, reduction of certain taxes and water fees, bank guarantees, deferred payment of certain credits and compensatory payments. • Social security: <ul style="list-style-type: none"> – companies and self-employed and unemployed persons are entitled to State aid in the form of social security contributions for persons who work; and – salary compensation and payment of pension contributions for those employers that cannot assure work to workers in the emergency period.

		<ul style="list-style-type: none"> • Further tax amendments are: <ul style="list-style-type: none"> – an additional tax allowance for donations made to the state or other EU Member States aimed at fighting the Covid-19 pandemic; and – an exemption from VAT for supplies of medical equipment from within the European Union.
United Kingdom	Government of UK Letter from the Economic Secretary to the Minister of State	COVID-19 Business Continuity Planning Webcast & Podcast Spotlight on Covid-19 (central resource) Key Measures on COVID-19 information hub and include: <ul style="list-style-type: none"> • R&D Tax Reliefs – A Mechanism to Generate Cashflow as a Reward for Innovative Development • COVID-19 How we can support businesses to obtain funding • COVID-19 and planning for transfer pricing outcomes • Microbusiness Hardship Fund Announced • Coronavirus and the Leadership Challenge • Self-Employment Income Support Scheme – What To Do Now • COVID-19: Self-Employment Income Support Scheme (SEISS) • £10,000 Small Business Grant Scheme Extended • The Coronavirus Job Retention Scheme (CJRS) is set to be extended another 4 months until the end of October, with no reduction in the level of support, being 80%/£2,500 a month cap. However, the scheme will be flexed between August and October to allow for part-time work with the sharing of the cost of this flexibility with employers after the end of July.
United States	US Congress - Families First Coronavirus Response Act Deferral of employment tax deposits and payments FAQ IRS Tax Reliefs Internal Revenue Service (IRS) Board of Equalization (BOE) California Department of Tax and Fee Administration (CDTFA) Franchise Tax Board (FTB) Employment Development Department (EDD) Updated FAQ FATCA Compliance	Coronavirus Preparedness Resource Centre Windex COVID-19 Resources Center RubinBrown COVID-19 Resources Webcast: Building business resilience and continuity today for a stronger tomorrow Podcast: Jeff Jorge addresses the impact coronavirus is having on manufacturers and supply chain Key Measures: <ul style="list-style-type: none"> • COVID-19: Not-for-Profit Organizations: Should We Keep or Return our Payroll Protection Program Loan? • COVID-19: Cloud Security Health Check • COVID-19: Gaming and Hospitality Industry - Re-opening from the Great Cessation

[Notice 2020-32](#)

[Temporary procedures for claiming quick refund](#)

- [State sales and use tax summary \(updates as at 5 May 2020\)](#)
- [IRS says PPP loan forgiveness results in non-deductible expenses](#)
- [COVID-19: Healthcare Provider Relief Fund: Distribution of Additional \\$70 Billion COVID-19 Funding](#)
- [Treasury stimulus: what you need to know to remain in compliance](#)
- IRS Issues Procedures for Quick Refunds Due To NOL Carrybacks and Minimum Tax Credits. The procedures are intended solely to implement the two related provisions of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).
- Due dates for filing income tax returns and/or making tax payments for the 2019 tax year will be extended as a result of COVID-19 (deadline will be set by each State)
- Extension of certain timeframes under the Employee Retirement Income Security Act and the Internal Revenue Code for group health plans, disability and other welfare plans, pension plans, and participants and beneficiaries of these plans during the COVID-19 National Emergency.
- Deductibility for Federal income tax purposes of certain otherwise deductible business expenses when a taxpayer receives forgivable loans under the Paycheck Protection Program (PPP).

Any questions – just ask your main contact from the Baker Tilly Global family

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