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Covid-19 Emergency: postponement of fiscal deadlines in Europe

Following the COVID-19 medical emergency, and the halting of economic activity throughout the region, European countries have postponed their fiscal deadlines. Such measures can be found among all European Union member states – starting from Italy – as well as in Norway, the UK and Switzerland.

These measures defer tax filings and payment obligations to a later date. Through them, national governments offer welcomed leeway to businesses in a time of dwindling liquidity and of great operational difficulty.

In the following document you'll find the most relevant measures introduced by various European countries to this date. We would however like to highlight that these may be subject to rapid changes (given the constantly evolving situation).

It is also important to note that some of these measures are only applicable to locally established businesses and not to foreign ones with a local VAT number. As such, it is fundamental to carefully assess each measure to check for applicability.

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Italy

Italy has suspended payment obligations - due in April and May - for VAT, withholding tax, social

- companies with profits lower than 50 million euros in 2019 and that have experienced a decline of 33% in their revenues during the months of March and April 2020 when compared to the same period in 2019.
- companies with profits higher than 50 million euros in 2019 in as much as they witnessed a decline in their revenues of 50% in the months of March and April;
- companies legally residing in the provinces of Bergamo, Brescia, Cremona, Lodi, Piacenza, in as much as they witnessed a decline in their revenues of 33%;
- businesses that have started their operations since March 31st, 2019;
- non-commercial entities not carrying out business activities.

The suspended payment dues can be later settled through a single payment, to be made by June 30th, 2020, or through 5 installment payments to be made from June 2020.

As well, Italian authorities have suspended all:

- fiscal and social security contributions due between the 8th of March and the 31st of May 2020, for established businesses with profits inferior to 2 million euros in 2019;
- fiscal assessment, collection, inspection and verification proceedings (except in pressing or non-suspendable cases).

Austria

The deadline for filing the VAT return for the 2019 fiscal year has been postponed to the 31st of August 2020 (and can be further deferred in specific cases).

security contributions and insurance premiums. These suspensions apply to:

Also, the payment of interests in cases of belated payment of taxes and social security contributions is suspended.

Belgium

Belgium has postponed procedures of VAT self-settlement and of all intra-EU listing returns for the months of February and March. The former procedure has been delayed to the 6th of April 2020, with relative payment to be made on the 20th of May. The latter has been delayed to the 7th of May 2020, with relative payment to be made on the 20th June.

In cases of quarterly returns, the dates have been postponed to the 7th of May 2020, with payments to be done on the 20th of June.

The deadline for filing the VAT return for March 2020 has been postponed to the 7th of May 2020 (or the 3rd of May in cases where a company is entitled to a tax credit).

Bulgaria

Bulgaria has postponed the date for filing the annual corporate income tax return.

Croatia

Croatia has suspended, since April 2020, VAT payments for three months for all companies that have experienced a decline of 20% in their revenues when compared to the same period in 2019. The suspension is valid only for companies who:

- do not have an outstanding debt toward the national tax authority that is superior to 200,000 kune
- prove that they are unable to fulfill their fiscal obligations.

Cyprus

VAT payments have been postponed to the 10th of November 2020 – without being charged interests or penalties. As well, social security payments are suspended for three months.

Czech Republic

The annual income tax return filing deadline has been postponed to the 1st of July 2020.

As for tax payments due between the 1st of March and the 31st of July, companies can request a reduction - up to an exemption - on the charged interest in arrears and applicable sanctions. Eligibility depends on proving that the delay in payments is a product of the ongoing medical emergency.

Denmark

VAT return filing and payment deadlines have been postponed for companies with quarterly and semestral dues. These deferrals take the following forms:

- SMEs can make a single joint payment valid for the first and second quarter (on the 1st of September, 2020) or semesters (on the 1st of March 2021).
- for big businesses, the payments due on April 27th/May 25th/June 25th, 2020 have been postponed respectively to May 25th/June 25th/July 27th of the same year.

Estonia

VAT payments have been suspended until the 1st of May 2020.

Finland

VAT payments have been postponed to the 30th of November 2020 - without being charged further interests. All other tax obligations, due between the 1st of March and 31st of August, will see a reduction in interests for late payments from 7% to 4%.

France

France has:

- given the option to postpone the payment of withholding taxes and advance payments on income tax;
- accelerated payment of tax refunds.

As for companies that have experienced a decline in business following the recent medical emergency, these can fulfil their VAT payments for the month of March by paying a lump sum equals to:

- 80% of what was filed for the month of January;
- 50% in cases where a company's operations have been shut down or have experienced a decline in revenues superior to 50% when compared to the month of February.

Germany

Among the measures introduced, we can find:

- the postponing of the deadline for annual VAT return filing to the 31st of May 2020
- no charging of interest in arrears for late tax payments until the 31st of December 2020
- the reduction of advance payments on income tax.

Greece

Greece has:

- delayed by four weeks all deadlines for periodical VAT payments;
- delayed the payment of owed VAT returns by converting these into two instalments to be paid on the 30th of April and 31st of May;
- suspended, for four months, payments of tax debts owed to tax authorities. This may also include, under specific condition, a suspension on the payments of all

debt instalments due between the 11th of March and the 30th of April 2020;

- accelerated payment of tax refunds.

Hungary

Hungary allows the possibility to request an extension on the payment of tax debts (if certain specific criteria are met).

All fiscal and civil proceedings have been suspended until the conclusion of the state of emergency.

Ireland

The country has suspended:

- the payment of interests in arrears for late VAT payments for the months of January, February, March and April 2020;
- collection procedures.

Latvia

Latvia has simplified the process for payment of tax refunds and has postponed or introduced instalment payments for fiscal obligations to/until the 30th of June 2020 (when the delay in owed payments is connected to the recent medical emergency).

Lithuania

Under specific conditions, Lithuania has introduced instalment payment for fiscal obligations (without charging interest) and has suspended collection procedures.

Luxembourg

For established businesses, Luxembourg has simplified the reimbursement process for VAT credits inferior to 10.000 euros.

The VAT return filings for the months of February, March, April and May have been postponed respectively to April 24th/May 15th/June 8th/June 30th 2020.

Malta

The state has:

- postponed, by two months, the payment of VAT for March and April 2020;
- accelerated payment of VAT credits.
- exempt late payments from surcharges.

Netherland

The VAT payment deadline, as well as that for income tax, can be postponed by three months if companies file a self-declaration attesting that the delay in payments is a product of the pandemic.

The state has also suspended penalties for missed or late payments.

Norway

VAT return filing for the second semester of 2019 has been postponed from April 15th to the 1st of September 2020.

VAT payments have been also postponed to the 10th of June.

Poland

Poland has postponed the deadline for sending March 2020's Intra-EU listings to the 20th of April.

Portugal

Portugal has:

- postponed and introduced instalment payments for tax debts owed by companies with a turnover inferior to 10 million euros;
- postponed the deadline for advance payments on corporate income tax owed for the month of March.
- introduced the possibility to suspend, until the 30th of June 2020, pending proceedings on fiscal or social security matters.

Romania

The country has accelerated and simplified the procedures for tax refund accreditation.

It has also suspended:

- the charging of interests in arrears for late payments up until the 30 days after the official conclusion of the state of emergency in the country.
- fiscal verifications and executive proceedings.

Slovakia

The state has:

- extended the deadline for the monthly VAT payments for February, March and April 2020 to the two months after the original due date;
- postponed the deadline for annual income tax return filing from the 31st of March to the 30th of June 2020.

The state has also suspended interests and penalties for late tax payments.

Slovenia

The state has postponed, for up to 24 months, the payment of tax debts. These are exempt from interests in arrears and can be commuted into 24 monthly instalments.

The deadline for the filing of the annual income tax return has been postponed to the 31st of May 2020.

Spain

Quarterly VAT filings have been postponed to 20th of May 2020 for companies with revenues inferior to 600.000 euros.

All taxpayers shall benefit from a 6 month postponement on the payment of social security contributions and corporate income taxes.

Sweden

Companies who are experiencing liquidity troubles due to the pandemic may request from tax authorities a deferment of up 4 months for the payment of fiscal obligations without being charged interest in arrears or sanctioned.

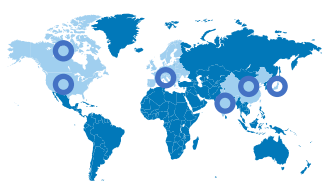
Switzerland

Switzerland has suspended, until the 20th of December 2020, the charging of further interest in cases of late payment of VAT or customs duties.

United Kingdom

The UK has postponed the deadlines - without being charged with interest in arrears or sanctioned - for:

- owed VAT payments due between the 20th of March and the 30th of June. These can be deferred until the 31st of March 2021 for all entities with a UK VAT number;
- owed corporate income tax payments due by the 31st of July 2020. These have been postponed to January 2021.



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