



VAT NEWSLETTER

VAT measures in the EU against effects of the Coronavirus (SARS-CoV-2)

08 | 2020

The Coronavirus within the EU

The Coronavirus (SARS-CoV-2) now has the EU firmly within its grasp. Every day the number of those infected by the virus is rising. To slow down the rapid spread, new regulations and restrictions on public life are being issued daily. Many EU countries are closing their borders, public events are being cancelled, schools and kindergartens are now closed, as well as shops and restaurants. Only those "essential" shops selling daily necessities, such as supermarkets, pharmacies and drugstores, are permitted to remain open. Some countries, such as Italy, have even imposed curfews. Austria has banned all public gatherings. Public life in Europe has come to a standstill. Many companies are also struggling with the impact of the Coronavirus. There are supply bottlenecks, employees cannot work and in most industries, a significant drop in turnover or even losses, are to be expected. The EU Commission has already announced that it will set up a EUR 25 billion "Corona Response Initiative" to support affected companies. Some EU countries have also announced tax simplification regulations and relief measures to help companies cope with the economic disadvantages caused by the Coronavirus. Currently, the below listed countries have reported the following news. However, new measures may be added on a daily basis.

Belgium

In Belgium a possibility now exists to postpone VAT payments, on request. However, companies must prove that they are directly affected by the Coronavirus. Furthermore, fines and penalties will not be imposed.



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Poland

The planned introduction of the new SAF-T returns on 01.04.2020 has been postponed until 01.07.2020.

Spain

For all Spanish VAT returns due in the period 13.03.2020 until 30.05.2020, an extension of the deadline for submission may be requested from the Spanish tax authorities using a special form. The extension of time will be granted for a period of six months. However, this extension cannot be requested by large companies (annual turnover exceeding EUR 6 million) or if the VAT due on the return exceeds EUR 30,000.

France

In France it is now possible to apply for a later payment of tax due if the companies can prove that they are financially affected by Coronavirus. However, according to the forms published by the French tax authorities for this purpose, only the deferral of direct taxes (including corporate income tax) is currently possible. VAT has not yet been included in the measures taken.

Portugal

To the extent that companies cannot meet their fiscal obligations on time, due to being affected by quarantine and isolation measures, no penalties will be imposed by the Portuguese tax authorities if affected companies notify the authorities of this fact. Additionally, the deadline for the first advance payment of corporate income tax has been extended from 30.03.2020 to 30.06.2020.

The Netherlands

In the Netherlands, it is also possible, upon request, to obtain an extension for the payment of VAT due. The application must be submitted in writing to the competent tax office of the company. Currently, fines are not being imposed or even waived.

Italy

In Italy, tax relief and tax deferrals are being granted to SMEs. Currently, these regulations only apply to companies resident in Italy.

Germany

The German Ministry of Finance has announced that it will be made easier for the tax authorities to grant tax deferrals. In addition, companies directly affected by the Coronavirus will be exempted from enforcement measures and late payment penalties until the end of 2020. It will also be easier to adjust calculated advance payments. The respective forms are already available online. Moreover, the possible implementation of further measures is being discussed, such as an extension of the deadlines for submitting preliminary VAT returns or a general switch to quarterly preliminary returns.