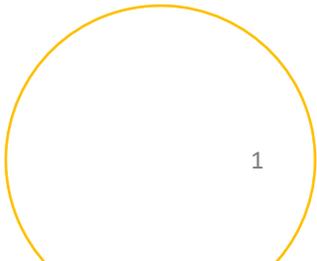
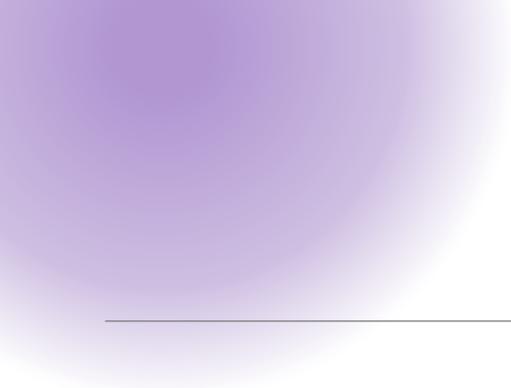




# COVID-19: LATIN AMERICA TAX RELIEF GUIDE FOR EMPLOYERS



**Employment  
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# INTRODUCTION

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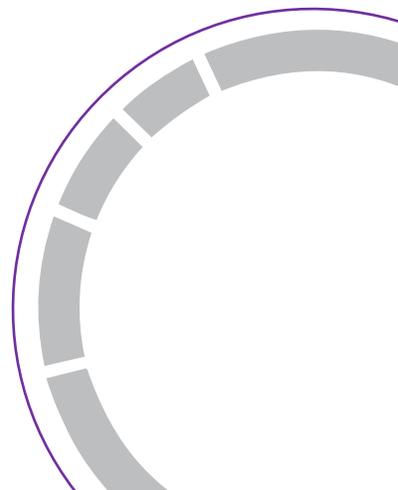
Today, across the globe, companies are trying to balance the many business challenges that are occurring due to the global pandemic of the COVID-19 virus. Employers are doing their best to take the necessary actions to protect their employees, but with local laws and government regulations constantly changing, it is difficult to keep up with the most important issues.

In this white paper, the ELA members from the Latin America region have provided answers to the important questions regarding tax relief offered due to the pandemic. This is a guide for employers to assist in making important decisions necessary to keep business moving forward.

We hope that this paper helps you address key issues in your jurisdiction. As the situation is constantly evolving, readers should take note that this publication is accurate as of 20 April 2020. Readers should also keep abreast of developments since the date of this publication.

If you have additional questions or would like to request additional information, please feel free to reach out to the contributors individually.

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# ARGENTINA

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**Q: What tax relief has been offered to Individuals?**

**A:** The Federal Tax Authority (“AFIP”) issued General Resolution No. 4687/2020, which establishes that individuals registered in the Simplified Regime for Tax Payers (“Monotributo”) will neither be excluded, nor removed from such regime due to lack of payment during the month of March.

Decree No. 316/2020, regulated by AFIP General Resolution No. 4690/2020, extended the term for adhering to an installment plan up to 06/30/2020 (the original deadline was 03/31/2020). Through this plan, taxpayers are entitled to the payment of several taxes owed in up to 120 monthly installments (depending on the tax). The plan applicable to the generality of taxes allows to include taxes owed in 8 monthly installments (for taxpayers considered as Micro, Small and Medium Size companies) and in 6 (for other taxpayers).

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** As said in point B. of the previous question, AFIP issued a resolution extending the term for adhering to an installment plan up to 06/30/2020 (the original deadline was 03/31/2020). Through this plan, taxpayers are entitled to the payment of several taxes owed in up to 120 monthly installments (depending on the tax). The plan applicable to the generality of taxes allows to include taxes owed in 8 monthly installments (for taxpayers considered as Micro, Small and Medium Size companies) and in 6 (for other taxpayers).

**Q: What is required of employers to qualify for tax relief?**

**A:** The Emergency Labor and Production Assistance Program provides two main reliefs for employers, regarding the payment of social security contributions: a general deferral applicable to all employers and a particular deferral intended for the employers who meet certain criteria and are registered in the AFIP’s website regarding contributions to the Argentine Integrated Social Security System (the “SIPA”, after its Spanish acronym).

The general deferrals postpones the deadline for the presentation and payment of the sworn statement of contributions to social security corresponding to the period accrued March 2020, until between April 16 and 18, 2020, according to each employer’s tax ID final number.

# ARGENTINA

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In addition, the particular deferral applies for employers who meet the following criteria:

- a) Carry out economic activities which are severely affected by the crisis.
- b) Have a relevant amount of employees who are included in the mandatory quarantine.
- c) Have a substantial decrease in their sales from March 20, 2020 onwards.

The Resolution establishes that beneficiaries can be those employers whose activities are listed on the AFIP's website <https://www.afip.gob.ar/noticias/documentos/listadode-actividades-afectadas.pdf>.

The relief consists in the postponement of the deadline for payment of employer's contributions to SIPA for the period accrued March 2020 until between June 16 and 18, 2020, according to each employer's tax ID final number.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** The Central Bank launched government backed loans for Micro, Small and Medium Enterprises ("MiPyMES, after its Spanish acronym), for them to be able to pay salaries during the lockdown. These credits are granted by any bank and guaranteed by the National Government. They have a maximum 24% annual interest rate.

MiPyMES are defined according to their annual revenues. Each economic sector (construction, services, commerce, mining & industry and agriculture) has its own revenue limits defining each category.

# ARGENTINA

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:**

- A. By means of the General Resolution No. 4692/2020, 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 4/26/2020.
  
- B. As general principle, employees in Argentina pay income tax levied on their remunerations exclusively through a withholding regime managed by the employer. In this regard, employees report personal allowances and deductions to the employer (Form 572), who 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.

# ARGENTINA

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- C. On 31 March 2020, General Resolution 4689 (the Resolution), issued by AFIP on the basis of the Executive's Branch Decree 260/2020, which enacted emergency measures related to the COVID-19 pandemic, was published in the Official Gazette. The Resolution amends General Resolution 4538 (as amended by General Resolution 4650 and 4680 - see Argentina-1, News 4 March 2020) to establish a special term for filing the transfer pricing annual tax return and related documentation as provided by General Resolution 1122. The new term is from 18 May 2020 to 22 May 2020, depending on the taxpayer's tax identification number, and affects tax years closed from 31 December 2018 to 30 September 2019. The Resolution is in force as from 31 March 2020.
- D. Decree No. 330/2020 extended the term in which individuals who have declared having assets abroad must repatriate at least 5% of its financial assets, in order not to be subject to the aggravated personal assets tax rate. The new term elapses on April 30, 2020. Additionally, AFIP issued the General Resolution No. 4691/2020, by which extends the term for individuals that chose not to repatriate its assets to pay the advance payments established by Decree No. 99/2019 until May 6, 2020.
- E. The Tax Authority of the Province of Buenos Aires ("ARBA") issued Normative Resolution No. 12/2020, which extended the term during which it will not levy injunctions, seizures or foreclosures. Original term was elapsing on 03/31/2020, while new term elapses on 05/31/2020.
- F. By means of Normative Resolution No. 16/2020 ARBA also extended the deadline upon which entities and individuals must pay the third turnover tax advance payment of 2020. The new deadline is set between 4 and 15 May 2020. Additionally, the turnover tax return deadline was extended until June, 2020.
- G. ARBA also extended the deadline for the second annual instalment of the Real Estate Tax until May, 14 2020 (Normative Resolution No. 17/2020).
- H. ARBA postponed the deadline for April monthly advance payments of instalment plans until June 10, 2020. Accordingly, May and June's payments are postponed to July and August, respectively (Normative Resolution No. 24/2020).

# ARGENTINA

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- I. The Tax Authority of the City of Buenos Aires (“AGIP”) issued Resolutions No. 139/2020 and 151/2020, which extended the term for the payment of taxes regarding appraisal in the valuation of properties for the months of March and April until 05/31/2020.
- J. By means of Resolution No. 143/2020, AGIP also extended the deadline for instalment facility plans payments which are due between 03/20/2020 and 04/14/2020 and may only be paid personally until April 15, 2020.
- K. AGIP also issued Resolution No. 161/2020, which extends the deadlines for the second annual instalment of the Vehicle License Tax and the fourth annual instalment of the Real Estate Tax until April 17, 2020.
- L. AGIP extended by means of Resolution No. 164/2020 the term for those in charge of the National Automobile Property and Collateral Credit Registry (“Registro Nacional de la Propiedad Automotor y Créditos Prendarios”) to file their returns and deposit the amounts collected in their capacity as collecting agents of Stamp Tax, during March 2020. The new deadline was set on April 27, 2020.
- M. AGIP extended by means of Resolution No. 165/2020 the term for the Turnover Tax Return filings and the Turnover Tax third advance payment of 2020 until between April 27 and May 4, 2020.



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# BOLIVIA

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**Q: What tax relief has been offered to Individuals?**

**A:** Two different types of tax relief were approved for individuals, distinguishing between employees from public and private entities and self-employees.

Employees from public and private sectors were benefited with the extension of the period to submit deduct bills under the Complementary Regime to the VAT (“RC-IVA” by its acronym in Spanish). Resulting of the period extension, sworn statements and payments to the months of February and March are extended until April 2020

On the other hand, self-employees may benefit from the use of bills of food, health related services and goods and education to their close relatives (partner and sons) to deduct the tax credit until December 2020.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** Bolivian legislation has not defined a diverse treatment between small and large companies; therefore all existing tax relief is equally throughout in accordance the following features: Companies whose financial statements closed by 31 December 2019 may defer the submission and payment of Business Profit Tax until 29 May 2020.

Submission of monthly taxes of February and March may be deferred until May 2019. Payment facilities to the Business Profit Tax, provided a 50% initial payment is made. The outstanding balance may be paid in three installments upon submission of request form until the 17 June 2020.

Tax incentives to the upfront payment of the Business Profit Tax. Thus, every boliviano (BOB 1) paid to the Business Profit Tax may be used to compensate Transaction Tax on a ratio of BOB 1.10 to Large and Principal Taxpayers and BOB 1.20 to the rest of taxpayers.

Companies’ donations to authorized health centers to fight COVID-19, must be done in cash and be documentary supported to be used up until the 10% of the 2019’s net profit.

# BOLIVIA

Determine the new tax base to the Transaction Tax, as it will be deducted from the taxable base the VAT effectively paid during the same tax period.

0% Tariff Charge on the import of COVID-19 related goods.

**Q: What is required of employers to qualify for tax relief?**

**A:**

Relief	Requirement
- Payment facilities to the Business Profit Tax.	- 50% initial payment and the outstanding balance may be paid in three installments upon submission of request form until the 17 June 2020.
- Compensation of Transaction Tax.	- Full payment of the Business Profit Tax until the 15 May 2020.
- Benefit up until 10% of the 2019's net profit.	- Documentary support of the donations made to authorized health centres.
- Benefit from the new taxable base of the Transaction Tax.	- Effectively pay the VAT to the same period.
- 0% Tariff Charge	- Import COVID-19 related goods.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** There are two sorts of incentives to business. The first results from the full payment of the Business Profit Tax until the 15 May 2020 thereupon compensate the Transaction Tax by adding a 10% to Principal and Large Taxpayers and 20% to the rest of taxpayers.

Second incentive is related to the new taxable base of the Transaction Tax to be deducted from the effectively paid VAT.

# BOLIVIA

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:**

Relief	Extensions
- Deferral on the submission and payment of Business Profit Tax	- Sworn statements and payment may be made until the 29 May 2020.
- Deferral on the submission of monthly taxes.	- Sworn statements and payment of February and March are deferred until the submission correspondend to the month of April 2020.



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# BRAZIL

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**Q: What tax relief has been offered to Individuals?**

**A:** The main tax reliefs that have been granted to individuals in Brazil, up to the present date, can be summarized as follows:

- The establishment of an extraordinary settlement program for tax debts enrolled with the outstanding debts list of the Federal Government, which enables individuals to pay such debts in up to 97 months (Ordinance PGFN No. 7,820/2020);
- 60 days deadline's extension for payment of the balance of the Individual Income Tax: from April 30th to June 30th (Normative Ruling RFB No. 1,930/2020); and
- Ability for individuals to contract loans, from April 3rd to July 3rd, 2020, exempt from the Tax on Financial Operations (IOF), whose maximum rate usually corresponds to 3.38% (Federal Decree No. 10,305/2020).

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** The Brazilian legislation does not provide an express definition, for tax purposes, of the concepts of small and large companies. However, more favorable tax regimes are usually granted to companies that earn, in each calendar year, a total gross revenue equal to or less than BRL 4,800,000.00, such as the "Simples Nacional" regime, under which the companies collect their taxes through a unified document of collection encompassing federal, state and city taxes. Thus, assuming that "Simples Nacional" taxpayers are classified as small companies, it is possible, by exclusion, to assume that the large companies, for tax purposes, are all those that, due to their total annual gross revenue, cannot opt for the "Simples Nacional" regime, because they surpass the BRL 4,800,000.00 limit.

Currently, there are several different relief packages concerning the taxes that, in Brazil, are charged in three different spheres: federal, state and municipal. Although it is not possible to list all benefits granted within the three different spheres of the Brazilian federation (that encompasses 27 state and more than 5,000 cities), the most relevant packages from the federal point of view are the following:

# BRAZIL

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- Suspension (i) of Judicial litigation deadlines (*STF's Resolution No. 670/2020 and CNJ's Resolution No. 313/2020*) and (ii) of the procedural deadlines and administrative procedures within the Brazilian Federal Revenue Office (*RFB's Ordinance No. 543/2020*), the Attorney-General of the National Treasury Office (*Ordinance PGFN No. 7,821/2020*) and the Administrative Tax Appeals Council – CARF (*CARF's Ordinance No. 8,112/2020*), which applies to all companies (small and large business);
- Extension for additional 90 days of the validity term of tax clearance certificates issued jointly by the Brazilian Federal Revenue Office and the Attorney-General of the National Treasury Office, relating to federal taxes (*Ordinance RFB/PGFN No. 555/2020*); and
- 50% reduction of the tax rates of the contributions to the autonomous social services, generally levied on the payroll, due in April, May and June of 2020 (*Provisional Measure No. 932/2020*).

**Q: What is required of employers to qualify for tax relief?**

**A:** As a rule, the tax relieves are not linked to any specific requirement from the employers. However, there are other type of relief packages (labor, economic etc.) that may require the companies to provide counterparts, such as the meeting of certain requirements, illustrated by the following cases:

- A new emergency credit line has been announced to enable small and medium-sized companies to pay their employees' salaries for two months at an interest rate of 3.75% per year, and those small and medium-sized companies that contracting the new emergency credit line must meet certain requirements, such as maintaining their staff during the loan period and after sixty days from the payment of the last instalment of the loan, do not firing their employees in this period (*Provisional Measure No. 944/2020*); and

# Brazil

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- The possibility of suspending the employment contract of employees, during the state of public calamity, for up to 04 (four) months, and the employer that use this instrument must offer a virtual course or a program of professional qualification, directly or through entities responsible for the professional qualification, with a duration equivalent to the contractual suspension (*Provisional Measure No. 927/2020*).

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Daily, new types of tax incentives have been provided by the Government, among which we can mention the following:

- The creation of a new emergency credit line, by the Central Bank, to enable small and medium-size companies to pay their employees' salaries for two months at an interest rate of 3.75% per year. In return, small and medium-size companies that contracting the new emergency credit line must meet certain requirements, such as maintaining their staff during the loan period and after sixty days from the payment of the last instalment of the loan, do not firing their employees in this period (*Provisional Measure No. 944/2020*); and
- Temporary reduction to zero, by the Management Executive Committee of the Foreign Trade Chamber, of the Import Duty (II) rate of certain medical and pharmaceutical products aimed at combating Covid-19 (*GECEX's Resolution No. 22/2020*).

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Yes, there have been changes in the tax filing deadlines for individuals and corporations. As seen before, taxes in Brazil are charged in three spheres: federal, state and municipal. Although it is not possible to list all the extensions of those tax filing deadlines, the most relevant from the federal perspective are:

# BRAZIL

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- Extension of the submission deadline of the Annual Individual Income Tax Return, which must be sent to the tax authorities until June 30<sup>th</sup>, 2020 – the former deadline was April 30<sup>th</sup>, 2020 (*Normative Instruction RFB No. 1,924/2020*);
- Extension, to 30<sup>th</sup> June, 2020, the deadline for the submission of the Annual Simplified Declaration – DAS, which former deadline was March 31<sup>st</sup>, 2020, and the deadline for the submission of the Annual Simplified Statement for the Individual Microentrepreneur – DAS-Simei, which former deadline was May 31<sup>st</sup>, 2020, which are both filled by small companies (*Resolution CGSN No. 153/2020*); and
- Extension, to 21<sup>st</sup> July, 2020, of the submission deadline of the Federal Tax Debts and Credits Statement (DCTF), concerning the months of April, May and June, and, to 14<sup>th</sup> July, 2020, the deadline for the submission of the Digital Tax Bookkeeping of the Contribution to PIS/PASEP, the Social Security Financing (Cofins) and the Social Security Contribution on Revenues, concerning the months of April, May and June (*Normative Instruction RFB No. 1,932/2000*).

In addition to all these modifications on the Brazilian tax obligations listed above, each state and city is implementing different extensions in its own territories, in compliance with its specific local legislation.

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# DEMAREST

[Demarest COVID-19 Resource Page](#)

# CHILE

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**Q: What tax relief has been offered to Individuals?**

**A:** By means of the Law No. 21,225 and the Decree No. 420, the following tax reliefs were offered to individuals:

- A transitory reduction to 0% of the Stamp Tax rate for credit operations held between April and September 2020.
- An early payment of income tax refunds requested by individuals who meet the requirements for the SME regime (which entails an average gross income of less than US\$ 2,5 million). The refund is anticipated to be paid within April.
- A remission and refund of withholding tax on independent professionals for the months of January and February 2020. The refund will be paid in the month of April.
- More flexibility to celebrate agreements for the payment of tax debts with the Treasury, without interest or fines. This measure applies to taxpayer whose annual income does not exceed approximately US\$ 62,000.
- A total or partial remission of interest and penalties applied to tax returns filed after the deadline or other procedures related to tax returns established in the income tax law or VAT law, until September 30, 2020.
- A total or partial remission of the applicable interest on the payment of property tax on real estate made after the deadline, until September 30, 2020.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** Law 21,225 and the Decree Law No. 420 established the following tax reliefs applicable to companies:

- A transitory reduction to 0% of the Stamp Tax rate for credit operations held between April and September 2020.
- A remission of Monthly Provisional Payments (PPM) of annual corporate tax for the months of April, May and June 2020.
- An advance payment of income tax refunds requested by companies that comply with the requirements for the SME. The refund is anticipated to April.

# CHILE

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- More flexibility to celebrate agreements for the payment of tax debt with the Chilean General Treasury, without interest or fines. This measure applies to companies subject to Corporate Tax whose annual income is less than approximately US\$11.5 million. Income of related entities is also considered.
- A total or partial remission of interest and penalties applied to tax returns filed after the deadline or other procedures related to tax returns established in the income tax law and VAT law, until September 30, 2020.
- A total or partial remission of the applicable interest on the payment of property tax on real estate made after the deadline, until September 30, 2020.

**Q: What is required of employers to qualify for tax relief?**

**A:** No further requirements.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Yes. By means of a bill, which is currently in discussion, the Government is proposing to expand the Small Business Guarantee Fund (FOGAPE), with an expansion of state guarantees for an amount up to US\$ 3b, allowing to finance companies with annual sales up to approximately US\$ 33.5 million.

In general terms and according to the announcement, the financing to local companies will be granted for an amount equivalent to 3 months of gross sales and it will be payable in installments during a period of up to 48 months. Furthermore, companies will be able to benefit from a 6 months period of grace on this financing.

# CHILE

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Yes, Decree No. 420 included the following:

- A deferral of the payment of VAT corresponding to the months of April, May and June 2020, under the following rules: (i) In the case of taxpayers who meet the requirements for the SME regime, the deferred VAT will be distributed in 12 monthly installments, equal and adjusted as from July 2020; (ii) in the case of taxpayers who exceed the income level to qualify as SMEs above, but whose annual income is less than approximately US\$11.5 million, the deferred VAT will be distributed in 6 monthly installments, equal and readjusted as from July 2020. The income obtained by related entities will also be considered.
- A deferral of the payment of the property tax on real estate corresponding to the month of April for: (i) taxpayer of Personal Income Tax and Labor Income Tax with properties with a tax assessment under approximately US\$150k and (ii) taxpayer of Corporate Tax whose annual income is less than US\$11.5 million. In the latter case, the income of related entities is also considered.  
The deferred contribution will be paid in three installments, equal and adjusted, together with the following three contribution quotas.
- An extension of the deadline to pay the income tax declared by the taxpayers who meet the requirements for the SME regime, until July 31, 2020.
- Extension of the deadline to opt for the tax regimes established in the article 14 of the ITL, until July 31, 2020 (instead of within April).

# CHILE

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# COSTA RICA

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**Q: What tax relief has been offered to Individuals?**

**A:** Independent workers can use the moratorium granted by the Tax Authorities regarding VAT and Income Tax. For the months of April, May and June, taxpayers are allowed to file the monthly tax return, and not pay the tax collected. Regarding Income Tax, taxpayers can skip the advanced payment to be done on June 30th.

It is important to keep in consideration that any amount not paid, must be paid to the Tax Authorities by December 31st, 2020. Those taxpayers that anticipate that they will not be able to make the payments by this date, must enter into a payment arrangement with the Tax Authorities by October 15th, 2020.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** All companies can use the moratorium granted by the Tax Authorities regarding VAT and Income Tax. For the months of April, May and June, taxpayers are allowed to file the monthly tax return, and not pay the tax collected. Regarding Income Tax, taxpayers can skip the advanced payment to be done on June 30th.

It is important to keep in consideration that any amount not paid, must be paid to the Tax Authorities by December 31st, 2020. Those taxpayers that anticipate that they will not be able to make the payments by this date, must enter into a payment arrangement with the Tax Authorities by October 15th, 2020.

In addition, it was established that commercial leasing of real estate would be VAT exempt during April, May and June.

**Q: What is required of employers to qualify for tax relief?**

**A:** In order to take advantage of the moratorium, taxpayers do not need to apply to any previous authorization.

# COSTA RICA

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**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** There are no backed loans, abatements or incentives provided to business up to this point. However, commercial banks have been working with debtor to adjust their payments. In general, during the next three months, debtors can opt to not pay their monthly payment. Any amount not paid would be capitalized to the total amount of the loan.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** No, there has been no extension or changes on the tax filing deadlines.

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# COLOMBIA

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**Q: What tax relief has been offered to Individuals?**

**A:** Individuals must file their income tax return of fiscal year 2019 during the second semester of 2020. Therefore, the Colombian government has not offered yet tax reliefs or tax extensions for individuals.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** The Colombian Government has recently enacted several measures to tackle the COVID-19 effects in the domestic economy. These measures have been focused, amongst others, on postponing for the filing and payment of tax obligations. Special tax exemptions have also been granted in respect to VAT on the import of certain medical equipment.

Additionally, the Colombian Government enacted an accelerated tax refund proceeding. Taxpayers may request the refund of balances and the Colombian tax administration has to approve or deny the tax refund within 15 days following the submission date. The regular statutory term for the Colombian tax administration to approve or deny the refund of balances is 50 days. Under the accelerated tax refund proceeding, requirements have been eased.

**Q: What is required of employers to qualify for tax relief?**

**A:** Tax extensions apply for almost all taxpayers. Specifically, taxpayers of the hotel industry, entertainment industry, restaurants and commercial airlines are subject to special tax extensions for VAT and income tax return purposes. The Colombian government granted a special tax extension to said industries, since they may be the most affected by the COVID-19 effects.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** N/A

# COLOMBIA

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** In general terms, the deadlines for the filing and payment of tax obligations have been extended. The term for the filing of national tax obligations, such as VAT and income tax have all been extended. In connection with municipal and in-state tax obligations, certain local authorities have also granted extension for the filing and payment of tax returns (such as real estate tax, income and trade tax and mobilization tax in Bogotá D.C.). It is expected that all in-state authorities in Colombia are to extend the corresponding tax deadlines. The tax extensions apply specifically for tax returns to be filed during the first semester of 2020. The deadlines of tax returns of the second semester have not been extended yet.

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# ECUADOR

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**Q: What tax relief has been offered to Individuals?**

**A:** By means of the Executive Decree No. 1021 a 6-month deadline extension without interest for the filling and payment of corporate income tax originally due in Abril and VAT originally due in April, May and June, was introduced. During each of the first 2 months, following the original deadline, 10% of the tax should be paid; and during the 3rd to 6th consecutive months, 20% of the tax should be paid. Currently, the extension is only applicable to the following taxpayers:

1. Microenterprises.
2. Those domiciled in the Galápagos province.
3. Airlines.
4. Those dedicated to tourism.
5. Those dedicated to agriculture.
6. Regular exporters.
7. Those who obtain 50% or more of their income from the export of goods.

As announced by the Ministry of Finance, it is expected that additional taxpayers will be included in the list of eligible taxpayers who can benefit from these extensions.

The terms of all administrative procedures with the tax and customs authorities as well as the terms of statute of limitations of tax obligations have been suspended from March 16th to April the 30th, as provided in the recently issued Internal Revenue System's Resolution No. 28 and the Customs Service's Resolution No. 28. Similar measures have been adopted on a municipal level.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** The 6-month deadline extension for the filling and payment of corporate income tax and of VAT originally due on April, May and June, without interest, is available for "microenterprises". A microenterprise is any productive unit holding 1 to 9 workers and yearly gross income under USD\$300,000.00, irrespective of their economic activity.

# ECUADOR

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**Q: What is required of employers to qualify for tax relief?**

**A:** Any taxpayer who is included within the list of taxpayers eligible to qualify for the deferral measure can benefit from it. The income tax and VAT returns are to be filled within the regular term and payment is deferred automatically as described above.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** The Social Security Bank (BIESS) and the National Financial Corporation (CFN) have announced a new credit line that will allow medium and small enterprises to obtain loans from USD\$25,000 to USD\$100,000 at a 8,95% rate payable within 18 months.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** A very small general deadline extension for the filling and payment of corporate income tax was introduced (no more than 5 days). However, a larger scale deferral is expected.

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# EL SALVADOR

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**Q: What tax relief has been offered to Individuals?**

**A:** Extension of payment of Income Tax for all taxpayers with a payment of less than US \$ 10,000, expanding the payment by up to a maximum of eight installments.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A: Only for the purposes of these special provisions, small businesses are considered small taxpayers when they receive annual income of less than US \$10,000.**

Income Tax - For companies with income under US \$10,000: Extension of payment obligation by up to a maximum of eight installments.

Income Tax - For companies that provide tourism services: Extension of the payment of the special contribution for the promotion of tourism and the payment of Income Tax to companies in the tourism sector for up to one month, that do not exceed the amount of US \$ 25,000.

Income Tax – For companies that provide the service of generation, transmission, distribution and commercialization of electric energy, and telecommunications services: Extension of the payment of the Income Tax for the fiscal year 2019 for a maximum of eight monthly installments.

VAT and Import Duties – Complete tax exemption on import of essential food products, medications and machines for respiratory diseases, and hygiene and cleaning products for the duration of the COVID-19 emergency.

**Q: What is required of employers to qualify for tax relief?**

**A:** Companies must file a request to apply for the tax reliefs before the General Directorate of Internal Taxes of the Ministry of Finance.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** The Executive branch has promised government backed loans with preferential interest rates for the purposes of working capital and payroll payment.

# EL SALVADOR

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** The obligations to file tax declarations for individuals and businesses remains the same. The only extensions have been for the payment of the Income Tax resulting from the tax filing, and only to Small Taxpayers, Tourism, Electric Power, Television, Internet and Telecommunication Services. Tax reliefs are in affect as of March 20, 2020 and will stay in effect until the Legislative Assembly declares the end of the national emergency caused by the COVID-19 pandemic.

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# GUATEMALA

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**Q: What tax relief has been offered to Individuals?**

**A:** a) Applicable to merchants: 2nd trimester's payment of Solidarity Tax deferral to September 30, 2020. b) Applicable to individuals whose labor contracts have been suspended: exemption of all taxes on the governmental relief funds that they are entitled to.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** 2nd trimester's payment of Solidarity Tax deferral to September 30, 2020. (Small businesses have less than 80 employees on their payroll and a yearly income in the range of approximately USD.70,000.00 – USD.1,375,000.00; large businesses will surpass any of those two criteria.)

**Q: What is required of employers to qualify for tax relief?**

**A:** a) In respect to the Solidarity's Tax payment: No unjustified layoffs may occur. b) In respect to the tax exemption on the governmental relief funds: labor contract's suspension must have been duly authorized by the Labor Ministry.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Congress passed regulation providing funds for soft loans to be granted as work capital to businesses, up to a maximum of USD.33,000.00.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Deferral of filing and payment of tax obligations until the 15th of April (no extension of this deferral has been issued).

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# GUATEMALA

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# HONDURAS

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**Q: What tax relief has been offered to Individuals?**

**A:** An 8.5% discount is established for those taxpayers (individuals) who pay their corresponding Income Tax returns before April 30.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** An 8.5% discount is also established for those taxpayers (small and medium companies) who pay their corresponding Income Tax returns before April 30, 2020.

On the other hand, an additional 10% incentive is deductible as a payroll expense for companies (small, medium and large companies) that do not dismiss or suspend workers during the period from March to December 2020.

**Q: What is required of employers to qualify for tax relief?**

**A:** For employers/companies to apply the 8.5% discount, corresponding Income Tax returns need to file and pay their corresponding income Tax Returns before April 30, 2020.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** An additional 10% incentive is deductible as a payroll expense for companies (small, medium and large companies) that do not dismiss or suspend workers during the period from March to December 2020.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** An Extension of the term for the presentation of a statement of Income Tax, Solidarity Contribution and Net Assets, Contribution of the Social Sector of the Economy, Specific Tax of Single Income on Leasing or Rental of homes or Apartment Buildings, Special Tax on the Operational Surplus of Private Universities and Learning Institutions such as Preschool, Primary and Middle Schools, and the Social Contribution of the Cooperative Sector. (Individuals, Small and Medium Companies)

# HONDURAS

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An Extension until July 31, 2020 for the obligation to file the Annual Informative Sworn Statement on Transfer Prices for the 2019 Fiscal Period (without fines / interest); the foregoing in application for all taxpayers' subject to the obligation to submit the transfer price declaration. (Small, Medium and Large Companies)

The installments of the payments on account must be calculated at 75% of the amount of the Income Tax determined for the fiscal period 2019 and will be payable on the last day of August, October and December. (Small, Medium and Large Companies) installments of the payments on account are normally calculated at 100% of the amount of the Income Tax determined for the fiscal period.

An Extension in the presentation and payment of the Sales Tax declaration, for taxpayers who do not operate during the state of emergency, being able to present the corresponding declarations in the first 10 business days following the end of the emergency. However, the Taxpayers who do operate will make their declarations according to law. (Small, Medium and Large Companies).

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# MÉXICO

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**Q: What tax relief has been offered to Individuals?**

**A:** For federal purposes, none. Some local incentives are granted on each the state.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** None

**Q: What is required of employers to qualify for tax relief?**

**A:** N/A

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Certain financial institutions have announced that they will grant grace periods to certain credits of their clients. These periods go from 4 to 6 months depending on the bank and the type of credit.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Not for federal tax purposes, however local laws do provide reliefs.

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# NICARAGUA

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**Q: What tax relief has been offered to Individuals?**

**A:** No tax relief has been offered.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** No incentives or tax relief packages have been made available to either small or large companies due to the pandemic.

**Q: What is required of employers to qualify for tax relief?**

**A:** Not applicable, as no tax relief has been offered to employers.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** No, there are not.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** No, there have not.

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# PANAMA

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**Q: What tax relief has been offered to Individuals?**

**A:**

- An extension to file tax returns for the fiscal year 2019, until May 30<sup>th</sup>, 2020; the standard deadline is March 15<sup>th</sup> with the possibility for an extension until April 15<sup>th</sup>.
- An extension of time (120 days) for the payment of certain taxes until July 17<sup>th</sup>, 2020, without giving rise to an accrual of interests nor penalties for late payments.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:**

- Micro, Small, Medium Companies as provided on Law 33 are granted a relief for those with gross income in a given tax year not exceeding USD150,000.00 to be exempted the first two years of the corporate income tax. The new Covid19 rule says that those Law 33 companies with said benefit ending either on the tax year 2019 or the tax year 2020 will be granted an additional year exempted of corporate income tax.
- The large companies enjoy a deferred tax payment period until July 17<sup>th</sup> rather than March 31<sup>st</sup>
- May file the corporate income tax return until May 30<sup>th</sup>, 2020 instead of March 31<sup>st</sup> which is the standard due date.
- The estimated income tax for fy 2020 as a standard should be no less than the tax payable for fy 2019 but under the tax relief package the rule provides the taxpayers may estimate less than 70% of the 2019 amount.
- Forgiveness of 85% of the interest, penalties, and surcharges and fines for delinquent taxes arising until 30 June, 2019 as long as the amount of the entire tax liability is paid no later than 31 December, 2020.

**Q: What is required of employers to qualify for tax relief?**

**A:** Not to have a tax evasion process in course.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Not yet.

# PANAMA

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Yes, as explained above. These stay in effect until the National Emergency caused by COVID-19 is over.

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# PARAGUAY

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**Q: What tax relief has been offered to Individuals?**

**A:** The Executive Branch issued Decrees 3457, 3471, 3477, 3480, 3528, and 3529, dated March 16, 18, 20 and 23, and April 13, 2020, respectively, while the Tax Authority issued General Resolutions 44 to 51 between March 13 to April 13, 2020 and the Social Security Authority (IPS) issued Resolutions CA 003-001, 018-030 and 023-017 dated January 14, and March 10 and 27, 2020. All of the aforementioned regulations lay out the following tax and social security contributions reliefs plans for the current year, as a response to the Coronavirus (Covid-19) Outbreak:

1. Taxes deferrals: Most tax filing and payment deadlines for the last three quarters of 2020 have been extended. More development on this point can be found ahead.
2. Exemption of penalties for late filing: From March 23 to June 30, 2020, no penalties for late filing (contraventions) will be applied to any taxpayers.
3. Interest free financing of 2019's Income Taxes: An exceptional and transitory regime to pay in installments 2019's Income Taxes on Individuals (IRP), Agricultural Activities (IRAGRO) and Commercial, Industrial and Services (IRACIS) was set in place by the end of the first quarter of 2020, subject to the following rules:
  - a. Minimum initial installment of 20% of the financed debt (tax, plus interest, plus fines), which must be paid within 2 days of the financing filing.
  - b. Up to 5 monthly installments.
  - c. Interest rate of 0% on installment payments.

This installments regime is valid from March 16 to April 30, 2020 for the IRP, and from March 23 to May 31, 2020 for the IRAGRO and IRACIS.

4. Import duties exemption and VAT reduction: From March 18 to September 30, 2020 import duties on all goods qualified as of first need during the Coronavirus (Covid-19) Outbreak is exempted. From March 20 to June 30, 2020, VAT on such products is reduced from 10% to 5%.

# PARAGUAY

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5. Withholding Tax on Dividends (IDU): The deadline for reporting and paying the IDU on the distribution of dividends decided by Corporations from April 1 to July 31, 2020 is extended to September 13, 2020, provided such dividends are not paid to shareholders before August 1, 2020. This tax relief does not apply to LLCs dividends.
6. Tax collection: From March 23 to June 30, 2020, no new tax debt certificates shall be issued, nor new tax collection procedures shall be started.
7. Tax financing: From March 23 to June 30, 2020 the following rules have been adopted regarding the general regime of tax installment payments:
  - a. The number of unpaid installments required to cancel the tax financing regime is increased from 4 to 6, which means now overdue payments can go up to a maximum of 180 days, while before they could only go up to 120 days.
  - b. The requirement of not having any tax financing cancelled within the last 180 days, in order to request a new tax financing plan is revoked. Therefore, a new tax financing plan may be requested immediately after the previous one was cancelled.
8. Tax Compliance Certificates: Regarding Tax Compliance Certificates (the “TCC”) and Proofs of Not Being a Taxpayer (the “PNBT”) the following has been established:
  - a. TCC s issued from March 12 to June 30, 2020 shall have a validity period of 90 days, in contrast to the normal validity period of 30 days.
  - b. The amount for which bank and other credit institutions must demand the TCC or PNBT from its clients to grant or renew credits has been increased, from more than 20 minimum wages (more than Gs. 43,856,780 or USD 6,762.24 to date) to Gs. 150,000,000 (or USD 23,128.37 to date), for concessions or renewals of credits made from March 23 to June 30, 2020.
9. Exemption of penalties for overdue payment of social security contributions: From April 13 to June 30, 2020, late cash or installment payments of social security contributions due for the months of March, April and May 2020 are not subject to any kind of penalty.

# PARAGUAY

10. Interest free financing of social security contributions: From April 13 to June 30, 2020, an exceptional and transitory regime to pay social security contributions due for the months of March, April and May 2020 was set in place, subject to the following rules:

- a. Minimum initial installment of 5%.
- b. Up to 18 monthly installments.
- c. Interest rate of 0% on installment payments.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** Article 5 of Law No. 4457/12, as well as article 4 of its regulatory Decree No. 11.453/13, classify companies by size under the following 4 categories:

Company category	Staff headcount	and	Balance sheet total assets [only for the first financial year]			or	Last financial year turnover [second financial year onward]
Micro	≤ 10		≤ MW 100	≤ PYG 221.8 m	≤ USD 33.9 k	≤ PYG 500 m	≤ USD 77.1 k
Small	≤ 30		≤ MW 500	≤ PYG 1,096.4 m	≤ USD 169.1 k	≤ PYG 2.500 m	≤ USD 385.5 k
Medium-sized	≤ 50		≤ MW 1200	≤ PYG 2,631.4 m	≤ USD 405.7 k	≤ PYG 6.000 m	≤ USD 925.1 k
Large	> 50		> MW 1200	> PYG 2,631.4 m	> USD 405.7 k	> PYG 6.000 m	> USD 925.1 k

*Obs.: -MW stands for monthly minimum wage, which, according to Decree No. 2046/19, equals to PYG 2.192.839 as of July 2019. The amount increases on July of every year according to inflation.*

*-Amounts round-up in millions (m) and thousands (k) are an approximate of the exact amounts.*

*-Exchange rate PYG 6,485.54 / USD 1.-*

To date, the tax relief packages mentioned in the previous answer are the only ones available and they are available for all taxpayers, regardless of whether they are a Micro, Small, Medium-sized (MSMEs) or Large Enterprises.

**Q: What is required of employers to qualify for tax relief?**

**A:** In general, there are no special requirements to qualify for tax relief. Only for the interest free financing of social security contributions is required that employers have fully payed all social security contributions up to February 2020 to qualify for such relief.

# PARAGUAY

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**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** The National Development Bank (BNF), a public bank, offers a short-term line of credit for operating capital, until June 30, 2020, for MSMEs and large companies. The credit conditions, updated according to a statement dated March 24, 2020, are as follows:

1. The credit limit according to the client's business category is:
  - a. Up to 25 minimum wages (PYG 54,820,975 or USD 8,452.80 to date) for Level 1 Micro Enterprises, which are those that employ up to 10 people (owner included), an annual turnover of up to PYG 500,000,000 (or USD 77,094.58), who are not taxpayers of the IRE-Simple nor have a Municipal Patent.
  - b. Up to 50 minimum wages (PYG 109,641,950 or USD 16,905.60 to date) for Micro Enterprises Level 2, which are those that employ up to 10 people (owner included), have an annual turnover of up to PYG 500,000,000 (or USD 77,094.58), are taxpayers of the IRE-Simple and have a Municipal Patent.
  - c. Up to PYG 600,000,000 (or USD 92,512.50) for Small Enterprises, understood as those that employ up to 30 people (owner included) and an annual turnover of up to Gs 2,500,000,000 (or USD 385,472.91).
  - d. Up to PYG 5,000,000,000 (or USD 770,945.83) for Medium and Large Companies with unsecured guarantee from the beneficiary (natural person) or joint co-debtorship of managers and/or shareholders (all legal entities but Production Cooperatives). For larger amount loans, the BNF will require guarantees to its satisfaction, that cover the excess amount.
2. The annual interest rate will be 7% for operations in PYG, and 5% for operations in USD.
3. The term to repay the loan is up to 12 months.
4. The credit payment method will be a single payment of principal and interest at the end of the period.

# PARAGUAY

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5. The operation may be renewed only once, with the payment of at least 60% of the principal, maintaining the original financial conditions (term and rate) for the new operation.

The BNF also grants credits to MSMEs to finance its payroll during the Covid-19 Outbreak with the following conditions:

1. Up to PYG 328,000,000 (or USD 50,574.05 to date) or up to 10 times the amount of the entire monthly payroll, whichever is lower.
2. The credit will only be granted in PYG.
3. The annual interest rate will be 7%.
4. The term to repay the loan is up to 12 months.
5. The credit payment method will be a single payment of principal and interest at the end of the period

The Development Finance Agency (AFD) and the BNF announced in a press release of March 20, 2020 that they will make available to MSMEs the sum of PYG 600,000,000,000, a third of which was contributed by the BNF, under the following conditions:

1. The resources will be made available to the public by the AFD, through the Financial Institutions and Cooperatives.
2. The annual interest rates will be as follows:
  - a. For operations in PYG, the AFD will charge a 4.75% annual interest rate to Financial Institutions and Cooperatives, who are obliged to not charge its clients more than 7%.
  - b. For operations in USD, the AFD will charge the Financial Institutions and Cooperatives a 4.50% annual interest rate, while the rate that these charge to its clients will be determined by them, according to their credit policy.

# PARAGUAY

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3. The maximum term of the loan will be 7 years, including a grace period of up to 2 years within the total term of the financing.

On April 13, 2020 the Executive Branch transferred USD 100,000,000 to the Guarantee Fund for MSMEs (FOGAPY) to cover the guarantee and/or re-guarantee of credits for MSMEs up to the principal amount of each financing, in accordance with the following conditions:

1. The maximum term of coverage of the FOGAPY will be 10 years, including renegotiations (renewals, refinancing or restructuring) of the operation, regardless of the term of the financing or re-secured guarantee (which may be longer).
2. The banks or other credit institutions that grant credits backed by FOGAPY may request the payment of the guarantee and/or re-guarantee, after fulfilling the conditions set by the AFD.
3. The FOGAPY will be subrogated in the rights corresponding to the payment of the guarantees, being able to seek their reimbursement or to forgive them, according to the conditions established by the AFD.

The AFD has also received USD 100,000,000 in Trust from the Executive Branch (Trustee) to grant guarantees and grant new loans preferably aimed at financial support for MSMEs through Intermediary Institutions authorized by the Trustee.

The Executive Branch has announced that it may dispose of 20% of the net capitalized earnings that result from the 2019 exercise of the BNF, for the constitution of a trust that will be administered by the AFD as trustee, and will have as beneficiaries MSMEs and other types of companies to be defined by the Executive Branch.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** The Executive Branch issued Decree 3480 dated March 23, 2020 and the Tax Administration issued General Resolutions (GR) 44, 45, 46, 49 and 51 dated March 13, 16, 20 and 31, and April 13, 2020, respectively. These regulations, together with General Resolution 40 dated February 26, 2020, established the following deadlines extensions for filing and payment of the Withholding Tax on Dividends (IDU), Corporate Income Tax (IRE), Income Tax on Individuals (IRP), Income Tax on Agricultural Activities

# PARAGUAY

(IRAGRO) Income Tax on Commercial, Industrial and Services Activities (IRACIS), informative tax returns (DJI) and other tax obligation:

Tax Obligation	Tax Period	Deadlines	
		Original	Extended
1. Presumptive IRE 2. Maquila Tax 3. VAT 4. General Excise Tax 5. Excise Tax on Fuels	Feb-20	March 21, 2020	May 4, 2020
		March 23, 2020	May 5, 2020
		March 25, 2020	May 6, 2020
	Mar-20	Apr-20	May-20
6. Excise Tax on Gasoil / Diesel	Feb-20	March 25, 2020	May 6, 2020
7. Tobacco Products Report	Feb-20	March 25, 2020	May 6, 2020
	Mar-20	April 25, 2020	May 25, 2020
8. Price Adjustment's DJI	Jan-20	March 22, 2020	May 4, 2020
		March 24, 2020	May 5, 2020
		March 26, 2020	May 6, 2020
	Feb-20	April 2020	May-20
9. IRP	2019 (Dec 31)	March 21, 2020	May 4, 2020
		March 23, 2020	May 5, 2020
		March 25, 2020	May 6, 2020
10. IRP's Books	2019 (Dec 31)	March 2020	Jun-20
11. IRACIS 12. IRAGRO	2019 (Dec 31)	Abr-2020	Jun-20
13. Financial Statements	2019 (Dec 31)	Abr-2020	Jul-20
14. Agrochemical inventories	2019 (Dec 31)	Abr-2020	Jul-20
15. Audit reports	2019 (Dec 31)	May-2020	Nov-2020
	2019 (Dec 31)	Jun-2020	Nov-2020
16. IDU's DJI	2019/20 (30-Abr)	Oct-2020	Mar-2021
	2019/20 (30-Jun)	Dic-2020	May-2020
17. 2019/20 IRACIS' advance payments	3 <sup>rd</sup> Installment (Apr 30)	March 23, 2020	April 1, 2020
	4 <sup>th</sup> Installment (Apr 30)	March 25, 2020	
18. 2020 (Dec 31) IRE's advance payments	1 <sup>st</sup> Installment	May-20	Jul-2020
	2 <sup>nd</sup> Installment	Jul-20	Sep-2020
	3 <sup>rd</sup> Installment	Sep-20	Nov-2020
	4 <sup>th</sup> Installment	Nov-20	Dic-2020
19. Purchase Book Hechuaká	Feb-20	March 22, 2020	May 4, 2020
		March 24, 2020	May 5, 2020
		March 26, 2020	May 6, 2020
20. Sale Book Hechauká	Mar-20	Abr-20	TBD in Jun-20
	Abr-20	May-20	TBD in Jun-20
	May-20	Jun-20	TBD in Jun-20

# PARAGUAY

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It must be noted with IRAGRO and IRACIS that, although the deadline for their filing and payment has been extended to June 2020, the promotional regime pay them in installments without any interest will only be available until May 31, 2020, so it is more convenient to make the filling no later than May 2020 in order to have access to such installments regime.

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**V O U G A**  
A B O G A D O S

# PERU

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**Q: What tax relief has been offered to Individuals?**

**A:** None yet.

Notwithstanding, in order to protect the most vulnerable independent workers, the Government will grant a subsidy of PEN S/380 to the said individuals.

On the other hand, dependent workers may dispose of up to PEN /2,400 (around US\$700) of their severance payment benefit.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** No tax relief packages yet.

Notwithstanding, in order to protect the most vulnerable employees, the Government will grant a subsidy to those businesses (whether small or large) with at least an employee whose monthly salary does not exceed PEN S/1,500 (around US\$440). Certain requirements must be met with.

**Q: What is required of employers to qualify for tax relief?**

**A:** Not applicable yet.

On the other hand, in regard to the said subsidy, the employer must not be subject to a tax collection proceeding in regard to debts over PEN S/21,500 (around US\$6,300). It must not be subject to an insolvency proceeding. It must not be liable to the payment of a civil reparation to the Government derived from corruption and/or other felonies derived therefrom.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** Yes.

The Government is backing loans incurred by businesses with banks pertaining to the Peruvian Financial System, in order to cover any deficits on their working capital. Certain requirements must be met with.

# PERU

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** Yes. The deadline for filing the annual income tax return has been extended for 3 additional months. This extension only applies to taxpayers, individuals and/or corporations that in FY2019 obtained a global net income of up to 5,000 tax units (around US\$6M). The new dead-line ranges between June 24th and July 9th, 2020.

The deadlines for filing the March and April monthly tax returns have also been extended for the said taxpayers. The new dead-lines range, respectively, between June 3rd and 11th and between June 12th and 22nd. These extensions do not apply for the filing of monthly tax returns corresponding to payroll taxes.

In regard to taxpayers with 2019 annual net income of up to 2,300 tax units (around US\$2.8M): the February deadline has been extended for 3 additional months. The new dead-line ranges between June 4th and June 11th. In the specific case of payroll taxes, the deadline has only been extended up to between April 17th and 24th.

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# URUGUAY

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**Q: What tax relief has been offered to Individuals?**

**A:** Even though no specific tax relief has been offered to individuals, the following measures were adopted:

The unemployment subsidy is applicable for payroll employees with partial suspension of the tasks. This partial suspension is due to the reduction of the amount of working days (they should have worked at least 6 days during March) or the reduction of the 50% or more of the worked hours in a normal schedule. The amount of the benefit is 25% of the salary. The applicable period was originally until April 17<sup>th</sup>, 2020 and recently extended to May 31<sup>st</sup>.

Payroll employees can take the annual leave to be accrued during 2020 (in advance). Some requirements must be complied in order to apply this measure.

Health subsidy is applicable for 65 years old and up payroll employees for the period of 1 month starting on March 25<sup>th</sup>.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** Small businesses (taxpayers that invoice less than approximately USD 30.000 during the fiscal year) can pay February and March 2020 taxes in six installments starting on May 2020. No measures have been communicated regarding following months.

The general tax payments due dates from March 23<sup>rd</sup> to March 26<sup>th</sup> were delayed to March 27<sup>th</sup> and due date for a specific tax regarding vehicles was postponed until April 20<sup>th</sup>.

Related to social security contributions, small businesses payment due dates of April and May will be postponed. The 60% of these social security contributions will be paid in 6 installments starting June 2020. An exception for the remaining 40% is granted (will be cover with public funds). For this purpose, a small business is considered the sole proprietorship and entities with industrial and commercial activity with up to 10 payroll employees.

Special subsidy and no activity subsidy were created and are applicable to small entrepreneurs without payroll employees.

# URUGUAY

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**Q: What is required of employers to qualify for tax relief?**

**A:** Tax reliefs are applicable in general to all taxpayer. However, as we mentioned, some reliefs are applicable to small companies or specific activity sectors.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** There are lending programs for small and medium businesses with some exemptions regarding financial costs. In particular, the lending program includes SME's affected by the emergency.

**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** The general tax payments due dates from March 23<sup>rd</sup> to March 26<sup>th</sup> were delayed to March 27<sup>th</sup> and determined small businesses can pay the taxes of February and March 2020 in five installments starting on May 2020.

No measures or extensions have been communicated regarding following months.

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# VENEZUELA

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**Q: What tax relief has been offered to Individuals?**

**A:** Until now there has been no tax relief offered to individuals.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** Until now neither the national, nor the local tax authorities have granted any incentive or tax relief packages to small or large companies. On the contrary, national tax authority maintains a campaign exhorting taxpayers to comply with tax obligations by issuing communications through its social networks and even by sending individualized notifications and emails to special taxpayers. Nevertheless, we consider that, in accordance with a correct interpretation supported within the framework of constitutional principles and the State's obligation to preserve the fundamental right to health, within the framework of the State of Alarm decreed by the Executive, such notices, warrants and notifications will not take effect.

However, it is important to take under consideration that the government has exempted the payment of Value Added Tax, customs duties and other fees, for imports of new or used supplies and equipment such as masks, gloves and respiratory devices, also some products for human consumption (live animals of the bovine species and swine, poultry, yellow and white corn, fresh or refrigerated vegetables, cane sugar, among others), organic chemicals (including active antibiotic ingredients) and inorganics, some pharmaceutical products, and refrigerated or isothermal vehicles for the transport of goods.

**Q: What is required of employers to qualify for tax relief?**

**A:** N/A

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** No, unfortunately neither federal authorities nor government have granted any tax measure or incentive to businesses to endure this difficult situation. Furthermore, Venezuelan government is facing a very hard financial situation thus, taking into account that the only relevant income derives from the oil exportation and that the price of oil has gone down dramatically, the only remaining source of income are taxes therefore, we do not envisage any kind of tax incentives or relief measures to be taken within this crisis.

# VENEZUELA

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** From a national government perspective there has been any changes or modification of the tax filing deadlines neither for individuals nor for corporations. In fact, as mentioned in question 2 national tax authority maintains a campaign exhorting taxpayers to comply with tax obligations. From a local municipal perspective however, there have been some extension of the local tax filing deadlines applicable to taxes accrued in February and taxable in March, said extensions are applicable only during the Alarm Decree period, thus most of them end by April 15th.

Although there is not yet an official general pronouncement agreeing to the extension or suspension of deadlines for compliance with tax obligations, we consider that the measures adopted by the executive, regarding the declaration of the State of Alarm and quarantine, could prevent compliance with the tax obligations for reasons of force majeure that, in accordance with the provisions of article 85 of the Organic Tax Code, constitute an exemption from liability for the commission of tax illicit acts. Additionally, article 5 of the Decree By means of which the State of Alarm is decreed to attend to the Sanitary Emergency of the Coronavirus (COVID-19) establishes the obligation of natural and legal persons to comply with its provisions and the direct responsibility of these for putting people's health at risk for not complying with its content, which reaffirms the existence of force majeure reasons that impede normal compliance with tax obligations.



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# UNITED STATES

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**Q: What tax relief has been offered to Individuals?**

**A:** The CARES Act generally gives a refundable tax credit, immediately payable in cash, of \$1,200 per individual (\$2,400 per married couple filing jointly) and \$500 per child, payable immediately. The credit begins phasing out for individual income over \$75,000 (\$150,000 per married couple filing jointly). It is completely phased out for individual income over \$99,000 (\$198,000 per married couple filing jointly.) In addition, there are some favorable modifications, relating to taxable business income and loss computations, that benefit individual owners of pass-through companies.

**Q: What incentives or tax relief packages are available to small and large companies (please define small and large businesses under the act)?**

**A:** U.S. companies can benefit from favorable modifications, relating to taxable business income and loss computations. There is also a payroll retention tax credit for companies that do not benefit from certain Small Business Administration Loans.

**Q: What is required of employers to qualify for tax relief?**

**A:** Employers who qualify for tax benefits can claim them on their tax returns. Because some of the favorable tax changes apply to prior years, some companies are entitled to file amended tax returns now, claiming the tax benefits retroactively.

**Q: Are there any federal or government backed loans, abatements, or incentives provided to businesses?**

**A:** There are major loan programs available, both by the U.S. Federal Reserve System, and by the U.S. Small Business Administration, through the U.S. banking system, to U.S. companies. Some of these loans are partially or completely forgivable. Different loan programs provisions have different size limitations.

**Q: Can employees work during mandatory quarantine?**

**A:** If the quarantine derives from medical reasons (based on physician recommendation) the employee cannot work. If the quarantine derives from the Government's decision to have the people confined at home, they would be entitled to work from home (teleworking) or even at the Company if the Company's activity has been declared essential.

# UNITED STATES

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**Q: Have there been any changes, extensions, or modifications of the tax filing deadlines for individuals or corporations? If yes, when do they go in affect and how long will they stay in affect?**

**A:** The IRS has postponed the filing deadlines of many U.S. individual and corporate tax forms and tax deadlines to certain future dates. The CARES Act defers the payment of 2020 payroll taxes. Half of the deferred 2020 payroll taxes are due on December 31, 2021, with the remainder due on December 31, 2022. The deferral does not apply if the employer has had a business interruption loan forgiven.

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