



## URGENT MEASURES COVID-19

Barcelona, 13 March 2020

### SUMMARY

On 11 March 2020, the World Health Organization (WHO) declared the COVID-19 virus to be a pandemic. As a result of the public health emergency at both the national and international level resulting from the rapid spread of the virus, both the central and regional governments are adopting, among others, various measures to guarantee the social protection of workers and to regulate the socio-economic impact of the virus.

### TRANSITIONAL FINANCIAL SUPPORT MEASURES IN THE TAX AREA

#### ^ Royal Decree-Law 7/2020 of 12 March adopting urgent measures to respond to the economic impact of COVID-19

The Royal Decree-Law adopts the following **measures** to provide transitional **financial support** to SMEs and the self-employed:

The granting of deferment **will only apply to debtors, whether individuals or entities, whose volume of operations in 2019 does not exceed € 6,010,121.04**.

The **postponement of the payment of tax liabilities** is granted for all tax returns and self-assessments with filing and payment deadlines from the date of entry into force of the Royal Decree-Law, on 13 March 2020, until 30 May 2020, both inclusive, provided that the applications filed to date do not exceed € 30,000 as stipulated in article 82.2.a) of the General Tax Law.

The deferral will also apply to:

- The tax obligations to be met by the withholder or the party obliged to make payments on account.
- Obligations derived from taxes that must be legally charged on, such as VAT.
- Tax obligations that must be fulfilled by parties required to pay corporate income tax in instalments.

It is also provided that no default interest will accrue during the first **three months of the deferral**.



The deferral application can be made directly through the Tax Administration's website by companies using their digital certificates or through Audiconsultores.

**The Tax Administration has announced, pending approval, the suspension of the terms of procedures currently in progress.** We will keep you informed as new developments arise.

## OTHER SPECIAL MEASURES ADOPTED

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The Royal Decree-Law provides for an **extraordinary postponement of repayment schedules for loans granted by the Secretariat General for Industry and Small and Medium-sized Enterprises**, for the beneficiaries of financial assistance concessions for industrial projects. Deferment of the payment of the principal and/or interest on the current annuity may be applied for provided that the due date is less than six months from the date of entry into force of the Royal Decree Law, i.e. 13 March 2020, when the parties concerned have been impacted by and suffered difficulties due to COVID-19.

The application must be made before the end of the voluntary payment period in accordance with the provisions of Article 15 of the Royal Decree-Law, and must be expressly authorised by the body that issued the concession.

The Royal Decree-Law also adopts measures in other areas such as health care, support for families, measures for the efficient management of public administrations and measures to support the tourism sector.

In relation to the tourism sector, the extension of the financing line provided for in Article 4 of Royal Decree-Law 12/2019 is envisaged for certain companies and self-employed persons in the tourism sector that are domiciled in Spain and that arrange operations in the "ICO Empresas y Emprendedores" line.

Additionally, in relation to companies in the private sector carrying out activities in the tourism area and the commercial and hotel and catering sector linked to the tourism sector with production activities in February, March, April, May and June and that keep workers on under **permanent discontinuous contracts** during those months, they may apply a **reduction in those months of 50%** of the company's Social Security contributions for common contingencies, as well as for joint collection items for Unemployment, FOGASA and Professional Training in relation to such workers.



This measure applies generally from 1 January 2020 to 31 December 2020 to all the Autonomous Regions, except for the Balearic and Canary Islands, which have special arrangements.

The measures adopted by Decree-Law 7/2020 enter into force **on 13 March 2020** and will remain in force as long as the Government determines that the extraordinary circumstances that led to their adoption persist.

The full text of the Royal Decree may be consulted at the following link:

<https://www.boe.es/boe/dias/2020/03/13/pdfs/BOE-A-2020-3580.pdf>.

It is expected that in the **coming days, new measures will be adopted in both the employment and socio-economic areas in order to address the pandemic caused by COVID-19. We will keep you informed of the measures taken.**

The professionals that regularly work with your company are at your disposal for any clarification or additional information you may require in relation to the content of this Circular Letter. Please contact us by telephone at **934 677 414**.

Yours sincerely,

AUDICONSULTORES

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