



Arsene

Business measures as of March 18th, 2020

Summary of measures announced in France, Germany, Ireland, Italy, Luxembourg, Spain, Sweden, the United Kingdom, in response to the spread of Covid-19

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In response to the spread of the **Covid-19 virus**, various business support measures have been put in place by European states.

The purpose of this document is to present a summary of the measures announced to date (March 18th, 2020) by the public authorities in **France, Germany, Ireland, Italy, Luxembourg, Spain, Sweden and the United Kingdom**.

1. FRANCE

On March 17th, 2020, French Minister of Finance and Economy announced the implementation of several measures to reduce the economic consequences of the Covid-19 virus.

1.1. Tax measures

- **Deferred payment and payment extensions for tax deadlines**

- **Relevant companies:** all companies subject to direct taxes (CIT, EAVC, ELC);
- **Deferred payment of the CIT instalments from March 15th to June 15th for all companies without any conditions:**
 - If the CIT instalment has not been paid yet: possibility to reject the direct debit at the bank or online ;
 - If the CIT instalment has already been paid: possibility to ask for a refund to the competent tax services.

In practice: fill in the form provided by the DGFIP, specifying in the « amount » box in part **1) Deferral of tax payment** « *instalment already paid for refund* ».

- **EAVC, ELC and property tax payments:** possibility to suspend payments on the business tax account.
 - **Withholding tax for self-employed workers:** possibility to modulate the rate and the instalments of withholding tax and or to defer the payment of the instalments of withholding tax on professional income from a monthly to a quarterly payment or from a quarterly to a bi-annual payment.
 - Possibility to obtain tax rebates, penalties and interest rebates for late payment if the deferrals are not sufficient in view of the company's difficulties, provided that concrete information is provided on the company's financial situation (box 2 of the form provided by the DGFIP).
 - Taxes not covered by these measures: VAT, income tax of employees, excise duties on wine and spirits.
- **Other tax measures**

- **Invoices awaiting payment from public services**

- Commitment by the French Tax Administration to speed up the repayment of outstanding receivables (Research Tax Credit, VAT credits, etc.) and the payment of invoices awaiting payment by the State, local authorities and public bodies.

In practice: companies can use box 3 of the form provided by the DGFIP.

- **Tax audits and tax collections**

- No new audit will be launched.
- For ongoing tax audits:
 - No procedural documents will be sent unless applicable statute of limitations or deadline required by law;



- The auditor may request documents or suggest a telephone appointment, but the company may respond by postal service to the email and may also indicate that it is not able to respond favorably at this time.
- A legislation to freeze the consequences of non-compliance with time limits in the various tax procedures should be proposed.
- The emergency bill to deal with the Covid-19 pandemic crisis follows this approach: the French Government will be authorized to take any measures by ordinance adapting, interrupting, suspending or postponing the end of the time limits provided for under French tax law, on pain of nullity, lapse, foreclosure, prescription, unenforceability, cessation of a measure or forfeiture of a right.
- Adjustments for the enforced collection of tax debts are under consideration.

1.2. Social measures

- **Deferral of all or part of employee and employer contributions**
 - **Relevant companies:** employers whose URSSAF payment due date is the 15th of the month.
 - **Relevant social contributions:** all social taxes and contributions to be paid to the URSSAF (employers' and employees' contributions) by March 15th, 2020 and in particular:
 - Social security contributions (sickness, maternity, invalidity and death, old age, family, work accidents and work diseases);
 - Autonomous solidarity contribution ("CSA");
 - Social contributions ("CSG" and "CRDS");
 - Unemployment insurance contribution;
 - Salary guarantee contribution.
 - **Terms of the deferral:**
 - As of right and not sector-based (no justification to be provided to the URSSAF);
 - Deferral up to 3 months without penalty or late payment surcharge.
 - **Procedure:** possibility for employers to modulate their payments according to their needs (amount at 0 or corresponding to a part of the contributions).
 - If the employer has not yet submitted online the *Déclaration Sociale Nominative* ("DSN" form) for the February 2020 payroll: possibility to submit it up to March 16th (included) by modulating the SEPA direct debit.
 - If the employer has already filed the February 2020 DSN: possibility to modify it by filing a "cancel and replace" DSN up to March 15th (included) or to modify the payment without modifying the DSN according to an exceptional procedure available on the URSSAF website up to March 19th at noon.
 - If the employer pays the contributions without the DSN (for example via employment service company vouchers): possibility to adapt the amount of the bank transfer or to not make the transfer.



- **Deferral of all or part of employee and employer contributions**
 - **What about employers for whom the deadline has passed or is about to pass?**
 - URSSAF deadline of March 15th, 2020: no practical process to amend the DSN declaration afterwards. However, we believe that it is possible to request for a temporary refund of contributions already paid without changing the content of the DSN form.
 - Deadline of April 5th, 2020: information on the terms and conditions for deferral have not yet been provided, but should not differ in principle from the deadline of March 15th.
 - **AGIRC - ARRCO contributions (next deadline on March 25th, 2020):** a mechanism similar to the one set up for the URSSAF contributions is being implemented.
 - **Deferral measures for the self-employed**
 - The contributions to be paid on March 20th will not be levied by the URSSAF, but the amount will be smoothed over subsequent due dates, unless there are contrary measures implemented in the future;
 - In addition, self-employed workers may ask for:
 - Payment extensions (including in advance) without any surcharge or penalties;
 - An adjustment of their contribution payment schedule to take account of a decrease in their income;
 - The intervention of the Social Action ("*Action Sociale*") for the partial or total coverage of their contributions or for the allocation of an exceptional financial aid.
- **Easier recourse to part-time activity**
 - **Shorter processing time for the prior request for a part-time activity authorization**
 - Companies may apply for the part-time activity scheme under exceptional circumstances (Article R.5122-1 of the French Labor Code), specifying in particular the reasons justifying the recourse to part-time activity, the foreseeable period of under-activity and the number of employees concerned.
 - The setting up of the part-time activity is subject to a prior request which is normally processed within 15 days maximum.
 - The government has specified that requests related to Covid-19 will be processed on a priority basis within 48 hours. If there is no response within 15 days, the request for part-time activity will be considered to be accepted.
 - **Compensated short time working**
 - In practice, a company that implements short time working pays its employees 84% of their net hourly wage and the allowance must be at least equal to the minimum wage.
 - On March 17th, 2020, the French Government announced that part-time activity would be compensated up to 84% of the net salary of employees, although a ceiling is not excluded for the highest salaries.
 - In addition, the French Government indicated that the employer, required to pay for the allowance, will be refunded within 10 days.
- **Childcare work stoppages**
 - **Employees working in the public service** are authorized to stop working to keep their children at home. In this respect, they would benefit from:



- A special leave permission;
 - A compensation equal to 100% of their net salary.
- **Employees working in the private sector** would benefit from a better compensation:
 - In principle, the current rules on sick leave do not guarantee that employees' salary is fully maintained: the allowance is equal to 50% of the salary below the Social Security ceiling which is around €3,500, and only employees for whom the collective agreement or the rules applied in the company provide for it would receive their entire salary.
 - The French Government has announced that it intends to increase the Health Insurance allowance to 90% of the net salary.

1.3. Financial measures

- **Support from the State and the Banque de France (credit mediation)** to negotiate a rescheduling of bank loans.
- **Support from BPI France** to guarantee bank liquidity facilities that companies may need due to the epidemic.
- **Support for the handling of a dispute** with customers or suppliers by the Company Ombudsman ("*Médiateur des entreprises*").
- **Recognition by the State and local authorities of the Coronavirus as a case of force majeure** for their public contracts. Consequently, late payment penalties will not be applied for all State and local authorities' public contracts.
- **Creation of a solidarity fund for the self-employed**
 - Eligible companies are those which cumulatively meet the following conditions:
 - Turnover of less than €1 million, and
 - Decrease in turnover of at least 70% between March 2019 and March 2020.
 - Amount of compensation paid by the State: monthly compensation of €1,500. However, the government seems to want to go further for companies that would need more help (in particular in case of threat of bankruptcy).
- **Suspension of electricity, water and gas bills, as well as rent payments for SMEs:** the emergency bill to deal with the Covid-19 epidemic specifies that all measures may be taken to allow the staggering of the payment of water and energy bills, the waiver of penalties and the prohibition of measures to interrupt, suspend or reduce the supply that may be applied in the event of non-payment of these bills, for the benefit of SMEs whose activity is affected by the spread of the epidemic.



2. GERMANY

On March 13th, 2020, the **German Minister of Finance and Minister of Economic Affairs** announced a package of measures to reduce the economic consequences of the Covid-19 virus¹.

2.1. Tax measures

- **Simplification of tax deferrals** if their collection would lead to significant hardship.
The German revenue authorities will be instructed to not impose strict conditions in this respect.
- **Simplification of adaptation of tax prepayments**
As soon it becomes clear that a taxpayer's income in the current year is expected to be lower than in the previous year, tax prepayments will be reduced in a swift and straightforward manner.
- **Enforcement measures** (e.g. attachment of bank accounts) and **late-payment penalties** will be waived until December 31st, 2020 if the debtor of a pending tax payment is directly affected by the Covid-19 virus.
- It has also been instructed to the administrations in charge of the **energy duty, aviation tax, insurance tax and VAT** to make **appropriate concessions** to taxpayers.

2.2. Social measures

Starting from April, the rules on, reduced hours will be loosened :

- Extension of the reduced hours period **from 12 to 24 months**;
- **Coverage of 60% of net salary** in case of short-term work ;
- Reduction of the **minimum ratio of the employees** in a company affected by shorted working hours to 10%;
- Partial or complete waiver of the need to build up a negative balance in working hours ;
- Reduced hours compensation benefit will also be available to **temporary/agency workers** ;
- Complete reimbursement of **social security contributions** linked to reduced hours.

2.3. Financial measures

- **Measures relating to the granting of shares :**
 - Loosening of the conditions for specific loans for existing companies (*KfW-Unternehmenskredit*) and startups (*ERP-Gründerkredit-Universell*) through raising the level of risk assumptions for operating loans of up to 80% and extending these instruments to large enterprises with a turnover up to €2 billion (previously, the limit was €500 million) ;
 - In the case of the "KfW Loan for Growth", a program aimed at larger companies, the current **turnover threshold** of €2 billion will be raised to €5 billion.

In the future, these loans will take the form of **syndicated loans** and will not be restricted to projects in one particular field (in the past, only innovation and digitalization projects were eligible).

Risk assumption will be increased to up to 70% (from 50%).
 - For companies with a turnover of more than €5 billion, support will continue to be provided on a case-by-case basis.

¹ Press release of the German Minister of Finance and Minister of Economic Affairs dated March 13th, 2020, « A protective shield for employees and companies ».



- **Measures relating to bank guarantees**

- Doubling of the **guarantee limit** for guarantee Banks (*Bürgschaftsbanken*) to €2,5 million and increase of the risk share of the Federation by 10%.

Increase from 35% to 50% of the operating resources in guarantee banks' total exposures.

The Federation is giving guarantee banks the freedom to make guarantee decisions up to €250,000 independently and within a period of three days.

- Extension of the large guarantee program, originally limited to companies in structurally weak regions, to companies in other regions.

In this program, the Federation covers operating loans and investments with a surety requirement upwards of €50 million and a guarantee up to 80%.

- Launch of additional support programs for companies that have temporarily got into serious financial difficulties because of the crisis and therefore do not have easy access to existing support programs through increasing the *Kreditanstalt für Wiederaufbau's* (KfW – Public German bank) risk tolerance.

N.b : The Federal Government has indicated that the existing measures are already in line with European state aid rules and that the new support programs will be submitted to the European Commission for approval. The Commission has indicated that it would be flexible in its assessment of the state aid rules.

For the realization of these financial measures, the German government has announced the provision of €460 billion to KfW, an amount which could be rapidly increased by €93 billion.



3. IRELAND

3.1. Tax measures

On March 13th, 2020, the Irish tax administration outlined some key advice and actions taken to assist SME businesses experiencing **cashflow and trading difficulties** arising from the impacts of the coronavirus² leading to the following measures for SME businesses :

- The application of **interest on late payments** is suspended for January/February VAT and both February and March PAYE (Employers) liabilities;
- All **debt enforcement activity** is suspended until further notice;
- In practice, more **flexibility** is expected with regard to tax audits and suspension of such tax audits is likely.

3.2. Social measures

- **Employer COVID-19 Refund Scheme**

The department of employment affairs and social protection is setting up a refund scheme for employers which will pay them **€203 per week for each worker** who would otherwise have been laid off because a business has to cease trading due to advice on "social distancing".

The details of the scheme are not yet available.

3.3. Financial measures

- **€200m SBCI COVID-19 Working Capital Scheme**

The scheme will be available within the next week.

Maximum loan size will be €1.5 million (first €500,000 unsecured) and the maximum interest rate will be 4%.

- **€200m Package for Enterprise Supports including a Rescue and Restructuring Scheme**

The scheme will be open for viable but vulnerable firms that need to restructure or transform their businesses.

Details of these supports are being finalized.

- **Microenterprises COVID-19 loans**

Microenterprises can access Covid-19 loans of up to €50,000 from MicroFinance Ireland.

Loans are available at an interest rate of between 6.8% and 7.8%.

² Press releases by the Irish Tax administration on March 13th, 2020 "Revenue announce measures to assist SMEs experiencing cashflow difficulties arising from COVID-19".



4. ITALY

4.1. Tax measures

Four decrees (Decree of Minister of Economy and Finance dated February 24th, law decree n° 9/2020, law decree n° 11/2020 and law decree n° 16/2020) enacted emergency measures. Decree of Minister of Economy and Finance dated February 24th enacted measures that only apply to affected territories on the date it was published.

- **Rules resulting from law decrees n° 9/2020 et n°16/2020**
 - **suspension**, without limitation of turnover, for the sectors most concerned³, of payments of withholding tax, social security and compulsory insurance contributions for the months of March and April, and of the payment of VAT for the month of March;
 - **suspension of the payment of taxes and contributions** for taxpayers whose turnover does not exceed 2 million euros (payment of VAT, withholding taxes and contributions for March);
 - for economic operators to whom the suspension does not apply, the **deadline for payments due to public administrations**, including those relating to social security and compulsory insurance contributions, **is extended from March 16th to March 20th**;
 - **suspension** until May 31st 2020 of the **deadlines** for clearance, control, verification, recovery and litigation activities by the tax administration;
 - shops and boutiques benefit from a **tax credit equal to 60%** of their rent for the month of March;
 - the **changes to the tax calendar** introduced by Decree-Law n° 124 were brought forward to January 1st, 2020 instead of January 1st, 2021;
 - the deadline for providing the Italian tax authorities with the **form** for each employee indicating remuneration, withholding tax and tax deductions applied (*certificazione unica*) is extended until **March 31st, 2020**;
 - the deadline for third parties (e.g. banks, insurance companies, social security institutions and universities) to provide the Italian tax authorities with the data to be included in taxpayers' pre-filled tax returns is extended until **March 31st, 2020**;
 - pre-filled tax returns:
 - will be made available to taxpayers on the website of the Italian tax administration on **May 5th, 2020**;
 - must be filed with the Italian tax authorities before **September 30th, 2020**.
- **Rules applicable to procedural matters (law decree n° 11/2020)**
 - **hearings regarding tax proceedings** pending as of March 9th, 2020 before all judicial offices are postponed to March 22nd, 2020;
 - deadlines to complete any steps concerning pending tax proceedings **are suspended until March 22nd, 2020**.

4.2. Social measures (law decree n° 16/2020)

- The **redundancy fund** shall, by way of derogation, be extended to the entire national territory, to all employees in all sectors of production;

³ These include sectors such as tourist hotels, spas, passenger transport, catering, bars, culture, sport, education, amusement parks, events, games rooms and sports betting centers.



Employers, including companies with less than 5 employees, who suspend or reduce their activity because of the epidemiological emergency, may use the redundancy fund by derogation to the new cause "COVID-19" for a maximum period of 9 weeks;

- the number of days of **paid monthly leave** covered by the notional contribution in the event of serious disability is increased by 12 additional days;
- **prohibition of dismissals** for the next two months;
- **extension of technical unemployment** to all workers;
- **facilitation** of short-term contracts;
- creation of a **€100 premium** for workers earning less than €40,000 per year.

4.3. Financial measures (*law decree n° 16/2020*)

- granting **five-year loans** (interest-free) to cover liquidity needs;
- **moratorium** on lending to micro, small and medium-sized enterprises (covering mortgages, leasing, credit facilities and short-term loans);
- strengthening of the **central guarantee fund** for small and medium-sized enterprises, including the renegotiation of existing loans;
- strengthening of the **Confidi**⁴ for micro-enterprises, through simplification measures;
- introduction of a **counter-guarantee** mechanism for banks, by *Cassa Depositi e Prestiti* (Italian public body), making it possible to extend credit also to medium and large enterprises affected by the crisis.

⁴ *Confidi*, which means "consorzio di garanzia collettiva dei fidi", is an Italian consortium that provides guarantees to facilitate companies' access to short-, medium- and long-term financing for economic and productive activities.



5. LUXEMBOURG

5.1. Tax measures

The Luxembourg tax authorities have announced yesterday a series of measures intended to guarantee the continuity of the Luxembourg economy:

- As long as they are experiencing liquidity problems due to Covid-19, **individuals and corporate taxpayers** with business income, income from agriculture and forestry or income from independent professional services may request:
 - a cancellation of the **quarterly advances** of (corporate) income tax and municipal business tax in relation to the 1st and 2nd quarter of 2020.
Therefore, no cancellation is possible in respect of the net wealth tax advances.
 - an extension of 4 months of the **deadline for the payment** of (corporate) income tax, municipal business tax and net wealth tax.
 - This extension is only possible for taxes with a due date as from March 1st, 2020.

Both requests will be **accepted automatically**.

- The deadline for filing the tax returns has been extended **until June 30th, 2020**.

This applies to both individuals and corporate taxpayers as well as to taxpayers who wish to request, modify or cancel their choice for an individual taxation.

5.2. Social measures

- Simplification of the conditions for introducing partial unemployment or short time work.

5.3. Financial measures

- **Aid for SMEs that find themselves in temporary financial difficulty**

Aid scheme for SMEs that find themselves in temporary financial difficulty.

The eligible companies can benefit from an **advance** limited to the actual loss of income in the form of a recoverable advance from the State.

The granting of the aid is subject to a **threefold condition**, namely:

- that an event was recognized as having a **harmful impact** on the economic activity of certain firms;
 - that the firm was experiencing **temporary financial difficulties**; and
 - that there was a **causal link** between those difficulties and the event in question.
- **Bank guarantee for companies during cash-flow difficulties**

Setup of a specific surety in the form of a guarantee to companies that need a line of credit or a bank loan.

This guarantee will be up to 50% of the credit and covers a maximum amount of EUR 250,000 per guarantee.

Companies wanting to take advantage of this guarantee must apply directly to their bank, which will decide whether to release the credit.



6. SPAIN

6.1. Tax measures

Decree n° 7/2020 dated March 12th, 2020 on urgent measures taken to alleviate the economic effects of Covid-19⁵ was published on March 13th, 2020.

These measures are applicable **as of the publication of the decree** and will continue to apply as long as the Government considers that the circumstances so require.

• **Suspension of payments**

- The decree introduces the **possibility of deferring tax payments** for companies meeting the following conditions:
 - The taxpayer's **turnover for the year 2019** does not exceed **€6,010,121.04**;
 - The **amount of taxes due** shall not exceed €30,000; and
 - The **period for submission and payment** of fees, by assessment or self-assessment, is between **March 13th and May 30th, 2020**.

Taxpayers meeting these conditions may defer payment of their taxes, as well as withholding taxes, payments on account, taxes charged and CIT prepayments.

The deferral **will apply for 6 months** and no interest will accrue during the first 3 months of deferral.

The Spanish tax authorities have also issued **provisional instructions** authorizing the deferral under the Decree.⁶

Taxpayers wishing to request the deferral must submit, in the usual manner, a self-assessment of the amounts payable by the taxpayer that they wish to defer, by ticking the "acknowledgement of debt" option (*reconocimiento de deuda*).

A series of practical recommendations regarding the submission of the form are available on the website of the Spanish tax authorities.

• **Other tax measures**

The tax authorities have also announced that an upcoming change of regulations regarding the **period applicable to tax procedures** will be enacted.

6.2. Social measures

- A joint document involving Spanish employers and trade unions recommends the **facilitation of work from home** after a risk assessment by the company and the employee;
- The Spanish government announces the following measures:
 - measures to increase **health coverage** of infected persons (2.8 billion euros will be transferred to the Autonomous Communities for this purpose);
 - A significant increase in **social security support** for employees in the tourism and hotel sectors;
 - **lifting social security contribution** requirements for small and medium businesses who do not lay off workers;
 - **adjusting the social security system** contributions made by self-employed workers whose income plummets due to the crisis;

⁵ Royal Decree-Law 7/2020, of 12 March 2020, for the adoption of urgent means of response to the economic impacts of COVID-19.

⁶ Instructions provisoires pour solliciter le report prévu par le décret-loi royal « COVID-19 ».



- possibility for workers to **adapt and reduce their working hours**, by as much as 100% if necessary, if they need to provide care to dependents;
- allow the self-employed to receive a **specific subsidy** if they are affected by the virus.

6.3. Financial measures

- Set up of a **€100 million public guarantee scheme** to ensure liquidity for struggling businesses.
17 billion euros is being earmarked to support the groups most likely to suffer from the effects of the pandemic.
- **400 million euros** of public money to **support payments** and self-employed entrepreneurs;
- **repayments of public loans** to companies may be deferred;
- possibility of **delaying mortgage payments** on primary residences for:
 - employees who lose their jobs; as well as
 - self-employed workers who sustain dramatic income losses due to the coronavirus crisis ;
- The mortgage moratorium will last between one and three months.



7. SWEDEN

The Swedish government has announced the implementation of legislative reforms to protect businesses from the effects of the Covid-19 virus⁷.

7.1. Tax measures

- The Tax Agency will have a possibility to grant companies a respite with payments of withheld wage tax, social security contributions and VAT.
- A respite may be granted for reporting periods (*i.e.* months) within the period January – September 2020.

A respite may be granted for up to **three reporting periods** and the respite is valid for **up to one year**.

For companies that report VAT on a quarterly basis, respite may only be granted for one reporting period.

- For granted respites, a **special respite-fee** will be levied.

The fee is **0.3% per month** of the respite amount and is to be paid when the respite ends.

Each application for a respite will be judged by its own merits.

All these proposals should enter into force on April 7th, 2020 with a **retroactive effect from January 1st, 2020**.

The Tax Agency has also published a statement on March 17th, 2020 **regarding the possibility for respite with payments before the proposed changes enter into force**. This is regarding the possibility for respite with payments under the current legislation. As such:

- Respite with payments can be granted if the company has **temporary difficulties** making payment in time due to direct cause of the **coronavirus** ;
- Respite with payments of **withheld wage tax and VAT** are most often not granted according to the Tax Agency, since the company is expected to have that amount as liquid cash.

However, a respite may still be granted if the company proves that it had to use the money to pay for something it could not have anticipated in order to mitigate the consequences of the coronavirus.

Companies that chose to apply for a respite should be aware of the respite-fee, which will be due for payment when the respite ends.

The company would also have to pay interest at a rate of **1,25 %** (in addition to the respite-fee).

7.2. Mesures sociales

- **The State will increase its share of support** to employers whose employees temporarily reduce their working hours.

This proposal implies that the basis for State support will be increased in the period from March 16th, to December 31st, 2020.

This proposal should enter into force on April 7th, 2020 **with retroactive effect on March 16th, 2020**.

- The requirement for a medical certificate from the 7th day of a period of illness is temporarily set aside. This proposal is to enter into force April 7th, 2020, with retroactive effect as of March 13th, 2020.

- The following reliefs are also contemplated:

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⁷ Ministry of Finance press release of March 16th, 2020, "Crisis package for Swedish businesses and jobs".



- The government assumes **full responsibility for sickness benefits** for the period from March 11th to May 31st, 2020;
- ~~The requirement for a medical certificate from the 7th day of a period of illness is temporarily set aside.~~
- **Short-term temporary layoffs** will be possible as of March 16th, 2020.

Kommenterad [AL1]: The proposal for this part was presented 18 March

7.3. Financial Measures

- The *Riksbank*, the Swedish central bank, has announced that it will lend up to SEK500 billion (about €45 billion) to companies through banks to secure the supply of credit.
- The Riksbank has also announced that it intends to buy securities for up to an additional SEK 300 billion
- The *Finansinspektionen* (the Swedish financial supervisory authority) announced that it was lowering the **counter-cyclical capital cushion** to zero in order to ensure the smooth functioning of the credit supply.
- The Government grants special credit guarantees to Swedish airlines of SEK 5 billion (of which 1.5 billion is earmarked for SAS)

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8. UNITED KINGDOM

As a first step, on March 11th, 2020, the British Chancellor of the Exchequer announced a package of measures to reduce the economic impact of the Covid-19 virus totaling to £12 billion (approximately €13 billion)⁸.

On March 17th, 2020, additional measures were announced by the British government⁹.

8.1. Tax measures

- **Introduction of a business rates retail holiday**

Such business rates holiday would apply for retail, hospitality and leisure businesses in England for the 2020 to 2021 tax year.

- **Assistance in the payment of taxes**

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support with their tax affairs through HMRC's Time To Pay service.

These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities.

8.2. Social measures

Small and medium-sized businesses and employers may reclaim **up to two weeks of Statutory Sick Pay (SSP)** paid for sickness absence due to the COVID-19 virus.

Employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a general practitioner fit note.

This measure is applicable to employers with fewer than 250 employees as of February 28th, 2020.

8.3. Financial measures

- **One-off grant of £10,000 (about €11,000) to business that pay little or no business rates**

- **Additional grant of £25,000 (about €27,000) to retail, hospitality and leisure businesses**

This measure applies to businesses operating from smaller premises, with a rateable value between £15,000 and £51,000 (about €16,000 to €55,000).

- **Support for businesses through the Coronavirus Business Interruption Loan Scheme**

The Government will provide, through the British Business Bank, free of charge to SMEs an 80% guarantee on each loan for borrowings up to £5 million (about €5.5 million).

Businesses can access the first 6 months of that finance interest free, as government will cover the first 6 months of interest payments.

The overall ceiling for these guarantees is, for the time being, £330 billion (€362.5 billion).

Further details, including on the lenders providing access to this scheme will be announced in the coming days, and the scheme will be available from early week commencing March 23rd, 2020.

- **Suspension of mortgage payments for three months**

⁸ Measures published by the Treasury on March 11th, 2020, "Support for those affected by COVID-19".

⁹ Measures described by the Treasury on March 17th, 2020, "Chancellor announces additional support to protect businesses".