



Package of Social Economic Support Actions due to the outbreak of COVID-19 in Curacao

Introduction

Since the virus COVID-19 has reached Curacao, various measures have been taken by the government in order to limit the spread of this virus on the island. Unfortunately these measures have a major socio-economic impact on our society.

As a result of this, the government of Curacao has announced several fiscal alleviations. Additionally, on April 3, 2020 a Government support package was announced. The support package does not relate directly to taxation, but the requirements to be able to apply for these measures are based on data that is also used for tax purposes, such as the total sales and the amount of your monthly fixed expenses.

Below we summarize the most relevant measures that may be of importance for your business to survive the difficulties caused by Covid-19.

Measures taken by the Government of Curacao to provide socio-economic support in Curacao, due to the COVID-19 outbreak.

Deferred payment of taxes

It is possible to request deferred payment of taxes for the monthly payments of profit tax, wage tax, social security premiums and sales tax. The Ministry of Finance has made clear that there will be no recovery measures by the tax collector and collection costs will not be applied.

Please note that it is still required to file your tax return ultimately on the 15th of each month. With your request for a deferral you should include a copy of your registration at the Chamber of Commerce, the most recent financial statement and an explanation why you are not able to pay the amount due, illustrated for example by how much your sales have dropped since the onset of Covid19 and your available cashflow.

There seems to be some uncertainty about where you should file your request, as in some instances it is said it should be filed with the Tax Inspector, however the ministerial notice mentions the tax collector and that is where customarily you must file a request for deferral. The email address is: invorderingteam@gobiernu.cw

Government Support Package:

It was communicated that employers must register in order to qualify for the Labour Support Package. The online application form, its procedure and instructions will be available as of Saturday April 18, 2020 on www.fondodisosten.org (the link does not work yet). Employers are given 5 calendar days to register for the financial support up to and including April 22, 2020.

During the extraordinary press conference given today, Minister of Social Development, Labor and Welfare (SOAW), Mr. Hensley Koeiman, discussed that the following three groups, regarding unemployment and social welfare recipients, are qualified to receive the Support Package:

Group 1: Social welfare recipients will receive a food voucher along with their financial support. The financial support consists of the following status groups:

- People who are unmarried will receive an extra ANG.75.-
- Married couples without children/Single parents will receive an extra ANG 150.-
- Married couples with children will receive an extra ANG 250.-

Group 2: People who were unemployed before March 15, 2020 can come into consideration for a monthly food voucher, however they must have been registered at SOAW since January 1, 2019:

- People who are unmarried will receive ANG 300.- a month (with a food voucher)
- Married Couples/Single parents/ Married couples with kids will receive ANG 450.- a month (with a food voucher).

Group 3: Everyone who has lost their jobs after March 15, 2020, can receive a monthly financial compensation of up to ANG 1000.-

Furthermore, the Minister of Economic Development, Giselle Mc William, discussed that the following three groups, regarding businesses and organizations, are qualified to receive the Support Package:

Group 1: Businesses and organizations with no employees and who have not had business as of March 30, 2020 can receive up to ANG 1,335.- per month for a maximum of 3 months. . It is requested that these businesses are registered at the Chamber of Commerce. Please contact the Ministry of Economic Development (MEO) in case you need help in this regard. Non-registered businesses will not receive financial support.

Group 2: To keep as many employees employed, a support is given to companies with employees with permanent contracts. Businesses that were affected by COVID-19 and have a minimum loss of income of 25% or more can receive a monthly financial support to cover the employees salary. Financial support includes the coverage of salary by the government between 20% and up to 80% depending on the impact of income. Of course, businesses who have ZERO income will receive financial support of 80%.

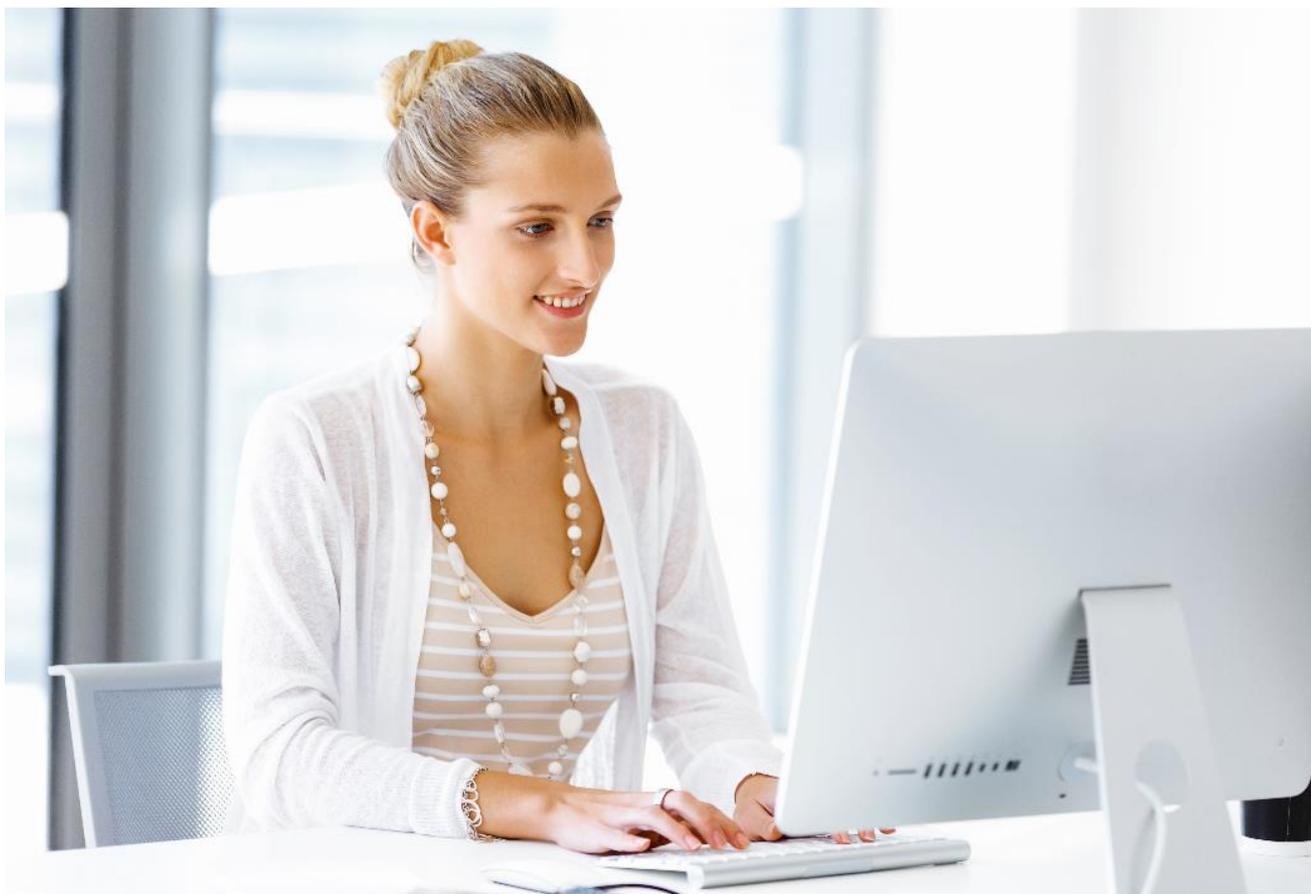
Group 3: Micro, small and medium businesses that have been gravely affected by COVID-19 can apply for a credit amount to cover their fixed costs.

As will be clear from the statement of the Minister of Economic Development, a request for support must be substantiated by certain specific information, such as the amount of sales pre-COVID-19 and after-COVID-19, the amount of available cashflow and proof of permanent contracts as well as the salary amount per employee.

Please note that the support package **must** be applied for ultimately on April 22, 2020. If you need help in preparing your request for the packages, please contact us, we will gladly help you to file the request in time.

The request for a deferral of payment of tax must be filed ultimately on the fifteenth of each month, when the tax return must be filed. Here again, we will gladly assist you to prepare the request and the necessary documentation.

Please contact our office at the email addresses mentioned in this newsflash if you have any questions and/or need additional information. We would be pleased to assist you.



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