

COVID-19

Measures introduced to support Belarus businesses

June, 2020

Belarus

The list of main measures introduced to support businesses during the COVID-19 pandemic includes:

Measures for all businesses:



- Employers can change essential employment terms and temporarily transfer employees under special rules
- Moratorium on basic rent increases and rent payments for the use of real estate.

Measures for businesses that carry out certain activities (a list of these activities (the "List") is stipulated in the Presidential Edict No.143 "On Economic Support" of 24 April 2020:




- Extension of tax payment deadlines to local budgets, rent payments for state-owned land plots (interest-free deferment, payment in installments or tax credits)
- Interest-free deferment and payment in installments for rent and reimbursement of lessor costs
- Interest-free deferment and payment in installments for state property payments.

Measures to support certain businesses, as described in the table below:

- Acceleration of VAT offset
- Decreased real estate tax and rent payments for state-owned land plots.

Measure	Key Points/Summary
 <p>Employment</p>	<p>Employers can change essential employment terms and temporarily transfer employees under special rules:</p> <ul style="list-style-type: none"> • The measure covers all businesses. It came into force on 26 April 2020 and can only be cancelled by a decision of the President. • Employers are entitled to change essential employment terms (except for salary reduction) due to the adverse impact of the pandemic on their activities. Employees must be notified about any changes no later than one day before the change. As a general rule, changes to employment terms, including salary reduction, are possible if employees are given one month's notice. • Employers are entitled to temporarily transfer employees without their consent for a maximum of three months. Employees can be transferred to another department, another employer, or can replace an absent employee if a business need emerges due to the pandemic.
 <p>Tax</p>	<p>Extension of tax payment deadlines to local budgets, rent payments for state-owned land plots (interest-free deferment, payment in installments or tax credit):</p> <ul style="list-style-type: none"> • The measure covers businesses that carry out certain types of activities as stipulated in the List. The List includes wholesale and retail trade, hotels, the travel industry, rental and leasing, transportation, among others. • The measure will only apply if it is approved by local authorities. • The measure covers payments due from 1 April to 30 September 2020. • Payment of deferred or installment payments must be made on a monthly basis in equal portions from 1 October to 31 December 2020. • The right to deferment, payment in installments or tax credits can be lost if a taxpayer makes late or incomplete current tax payment.

Belarus (continued)

Measure	Key Points/Summary
<p>Tax</p> 	<p>Acceleration of VAT offsetting:</p> <ul style="list-style-type: none">• The measure applies from 1 April 2020 to businesses specified by the government (currently 77 companies, mostly state-owned or with state ownership).• The deadline for offsetting the difference between VAT deductions and total VAT on sales for these companies has been brought forward from 30 to 10 business days from the date the tax authorities decide to accept or reject the refund. This measure is mainly aimed at supporting exporters that apply a 0% VAT rate. <p>Decreased real estate tax and rent payments for state-owned land plots:</p> <ul style="list-style-type: none">• The measure came into force on 1 April 2020 and applies to certain categories of businesses. Categories to be decided at the discretion of local authorities. Taxpayers can contact local authorities to justify why they should be included on the list of these categories.• Local authorities can decrease the amount of tax and rent payments due in the second and third quarters of 2020 for these categories of taxpayers.
<p>Rent and lease</p> 	<p>Moratorium on basic rent increases and rent payments for the use of real estate:</p> <ul style="list-style-type: none">• The moratorium applies from 1 April to 30 September 2020.• State authorities have clarified that the moratorium applies to state-owned real estate objects and real estate objects owned by companies in which the state has at least a 50 per cent stake.• Private lessors have been urged to provide their lessees with rent payment deferrals or decreases based on the revenue they generate. <p>Interest-free deferment and payment in installments for rent payments and reimbursement of lessor costs:</p> <ul style="list-style-type: none">• The measure covers businesses that carry out activities included in the List.• The measure came into force on 1 April 2020 and applies to state-owned real estate objects.• Businesses are entitled to stop making rent payments for the use of real estate and stop reimbursing the costs of real estate lessors (accrued amortisation, real estate tax, land tax or rent payment for land) until 30 September 2020.• Taxpayers are entitled to pay in installments until 31 December 2020 after deferring payments.
<p>Other</p> 	<p>Interest-free deferment and payment in installments for state property payments:</p> <ul style="list-style-type: none">• The measure covers businesses that carry out activities included in the List.• The deferment applies from 1 April 2020 until 30 September 2020 for property sold on installment plans.• After the deferment term expires, businesses can pay in installments until 31 December 2020.



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