

## World Tax Advisor

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### **World Tax Advisor, featuring special COVID-19 section**

This edition of *World Tax Advisor* includes a selection of articles from various countries announcing measures in response to COVID-19. These measures, which vary in magnitude and scope, are intended to mitigate the economic and fiscal effects on businesses and individuals. For additional articles, please visit [taxathand.com](https://taxathand.com). Following the COVID-19 articles, please read on for the standard weekly edition of *World Tax Advisor*.



#### **Albania**

##### **COVID-19 financial assistance measures for current and former employees announced**

The Council of Ministers published details on the eligibility and procedural requirements for financial assistance consisting of a one-time payment of ALL 40,000 per individual for certain current and former employees.



#### **Australia**

##### **Significant developments to JobKeeper scheme announced**

The key developments include extended due dates for enrollments and payment of employees, and the recent issuance of guidance and proposed changes to the JobKeeper scheme by the tax authorities and the Treasurer.



### Austria

#### Considerations for dividend distributions due to impact of COVID-19

Legislation that provides that distributions may not be made in certain situations where losses have resulted in a reduction in the value of the company's assets is relevant to companies affected by COVID-19.



### British Virgin Islands

#### FATCA and CRS registration and reporting deadlines extended due to COVID-19

The tax authorities announced that the 2019 FATCA filings are due by 31 August 2020, and the 2019 CRS filings are due by 31 July 2020.



### Canada

#### COVID-19: Canada Emergency Wage Subsidy (CEWS) – Frequently asked questions

The CEWS economic incentive program provides eligible employers with wage subsidies to help them retain employees that may otherwise have faced job loss or a wage reduction due to COVID-19.



### Canada

#### COVID-19 – Summary of recent fiscal measures

An update highlights recent developments from the federal and provincial governments on support measures to offset the financial effects of COVID-19.



### China

#### Tax and trade measures approved to stimulate economic recovery

The State Council approved 46 new e-commerce zones, provided relief measures for certain manufacturers selling goods in the domestic market (rather than exporting them), and extended certain tax incentives for



### European Union

#### Commission approves Finnish scheme to support companies affected by COVID-19

The scheme offers up to EUR 3 billion of support to enhance access to liquidity for the companies most severely affected by COVID-19.

small businesses, farmers, and sole proprietors.



### Germany

#### **COVID-19: Government allows deferred wage tax filing**

The Ministry of Finance issued a decree allowing employers affected by COVID-19 to defer their monthly or quarterly wage tax filings for up to two months.



### Indonesia

#### **Additional tax relief announced and deadlines further extended in view of COVID-19**

The measures include VAT and withholding tax relief for medical goods and activities, and updates to the deadlines for tax administrative services.



### Indonesia

#### **Guidance for calculation of monthly income tax installments issued**

A new regulation was issued on the calculation of monthly tax installments for years during which a corporate income tax rate reduction occurs, following a reduction due to COVID-19.



### Indonesia

#### **Guidance provided on 2019 income tax return submissions in response to COVID-19**

The tax authorities provided guidance on signatures, deadlines, procedures, and required forms and attachments for the submission of annual income tax returns for fiscal year 2019.



### Italy

#### **Decree expands incentive measures introduced in response to COVID-19**

The tax credit for sanitization costs is expanded and support is increased



### Italy

#### **New guidance on proof of intra-EU transport released, additional VAT relief announced**

The tax authorities released a ruling that provides clarification on sufficient

for corporate liquidity, exports, and small and medium-sized enterprises.

proof of intra-EU transport, and the prime minister announced that, in response to COVID-19, VAT rates will not increase in 2021.



### **Korea**

#### **Individual income tax payment deadline for 2019 extended**

The government announced that the payment deadline for individual income tax payments will be extended to 31 August 2020.



### **Mexico**

#### **COVID-19: Economic and fiscal measures in Latin America**

A report details various measures adopted in certain countries in the region to alleviate the economic impact of COVID-19.



### **Netherlands**

#### **Additional VAT measures in response to COVID-19**

New VAT exemptions apply to the outsourcing of healthcare workers and the provision of free medical supplies.



### **New Zealand**

#### **Practical relief from consequences of COVID-19 travel restrictions for individuals**

Inland Revenue released guidance on tax residency issues that may arise as a result of measures imposed in response to COVID-19.



### **Nigeria**

#### **COVID-19: Economic, tax, and other fiscal stimulus measures**

A publication examines critical economic, tax, and other fiscal measures aimed at alleviating the economic impact of COVID-19.



### **Norway**

#### **Final regulations published on financial support program**

The Ministry of Finance published final regulations on a program that allows businesses affected by COVID-19 to seek compensation for a portion of

certain fixed costs incurred during March through May 2020.



### Poland

#### **New legislation aims to support enterprises affected by COVID-19**

Various new rules are in effect, including measures regarding tax and social insurance liabilities, to support the fight against COVID-19 and to address financial liquidity issues.



### South Africa

#### **Additional tax relief measures announced in response to COVID-19**

The president announced additional tax relief measures to stabilize the economy, including “fast-tracking” of VAT refunds and deferrals of certain tax obligations.



### United Arab Emirates

#### **VAT return filing and payment deadline extended**

The tax authorities extended the VAT return filing and payment deadline to 28 May 2020 for tax periods ending on 31 March 2020.



### United States

#### **Additional coronavirus resources available**

New guidance addresses the CARES Act’s net operating loss carryback provisions and cross-border tax issues related to travel disruptions, and updated Paycheck Protection Program guidance was released.



### United States

#### **New guidance on travel disruptions due to COVID-19**

The Internal Revenue Service released guidance on domestic tax rules regarding tax residency requirements, qualification for certain



### United States

#### **Supplemental funds for Paycheck Protection Program signed into law**

Congress approved additional relief funding for the program, providing more support for hospitals and COVID-19 testing.

treaty benefits, and eligibility for the foreign earned income exclusion, including various exceptions to the rules.



### Zimbabwe

#### **Expedited processing of VAT refunds announced**

The processing of VAT refunds will be expedited to ensure taxpayers meeting certain requirements receive their refunds within 30 days.



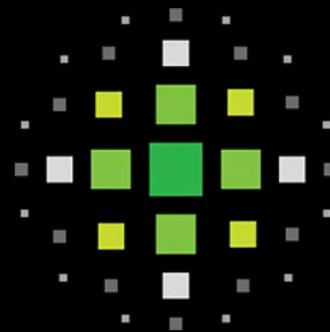
### Zimbabwe

#### **Tax administration measures issued in response to COVID-19**

Administrative measures have been put in place to reduce the risks associated with traveling or handling manual tax filings.

#### **Peru introduces new valuation method for taxable indirect share transfers**

A new “discounted cash flow” method may be used in certain circumstances to determine the market value of shares in a taxable indirect share transfer, but only where the entity whose shares are transferred is not registered on a stock exchange.



### Australia

#### **AAT decisions find mining activities not “core R&D activities”**

The decisions emphasize that the mineral exploration exclusion will apply even if dual purposes for the activities exist or if the extraction of the deposits will be “uneconomic.”



### Belgium

#### **New circular letter regarding the VAT treatment of tour operators and travel agents**

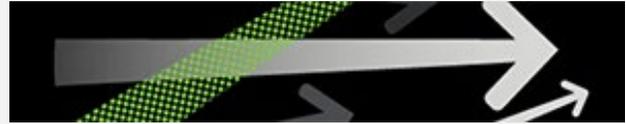
The tax authorities published new rules, with the main changes relating to the invoicing process of tour operators and travel agents; the new rules will apply to bookings received as from 1 April 2021.



## European Union

### **Revised EU posted workers directive due to become law**

The principle of “equal pay for equal work” between posted workers and local workers, as mandated by the directive, will apply as from 30 July 2020, with each member state determining the elements of remuneration in its own jurisdiction.



## Finland

### **E-invoicing mandatory for B2B sales upon request of purchaser**

The government extended the provisions of the EU e-invoicing directive included in the domestic law to cover B2B transactions, resulting in the right of businesses to require their suppliers to provide electronic invoices that comply with EU e-invoicing standards.



## India

### **ITAT rules on scope of business connection for event organized overseas**

The tribunal held that the appearance of a nonresident celebrity at a publicity event held outside of India but used to promote business within India resulted in a business connection in India, and that the appearance fee was subject to withholding tax.



## Indonesia

### **Implementing regulation issued for super tax deduction for labor-intensive industries**

The regulation provides information and transitional provisions regarding the net income reduction for new investment or expansion in certain labor-intensive business sectors.



## Ireland

### **Guidance issued on VAT groups**

The tax authorities updated the VAT Tax and Duty Manual to include guidance on the treatment of VAT



## United States

### **USMCA update: Canada and Mexico confirm completion of entry into force procedures**

Both Canada and Mexico have certified the completion of their local

groups, including clarifications and examples of the requirement that VAT group applicants must be bound closely by financial, economic, and organizational links.

internal procedures required for the trade agreement to take effect; US certification is pending.

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