



eNewsletter Tax

BMF's tax measures for liquidity-tax enforcement in Corona times known

After individual federal states had already published decrees and information on relief from enforcement and enforcement in connection with the corona virus, the tax authorities today also specified the tax relief measures in two official letters (BMF letters and equivalent state decrees on trade tax aspects). The basic intention is to avoid taxpayers' liquidity shortages due to tax payments.

In agreement with the highest financial authorities of the federal states, the following applies to those directly affected with regard to deferral and enforcement measures and the adjustment of advance payments:

- Until December 31, 2020, applications for deferral of the taxes that are due or payable up to that point in time and that are administered by the state tax authorities on behalf of the federal government (these are income, corporate and sales tax, since these are subject to the Basic Law under the Federal contract administration) and requests to adjust the advance payments on income and corporate tax. There are no strict requirements for the conditions for deferrals and the proof of the damage caused by direct and not insignificant impact on the crisis. The tax authorities also generally refrain from charging deferred interest. Applications for deferral or advance payment adjustment for taxes and periods due after December 31, 2020 must be justified in particular.
- Likewise, until 31.12.2020, enforcement measures for such arrears or taxes due up to this point should be waived, provided that the enforcement debtor notifies the crisis concerned or otherwise becomes known to the tax office. All late payment surcharges for these taxes, which are forfeited from March 19, 2020 to December 31, 2020, must be waived.

In principle, the tax claims payable by third parties (i.e. in particular wage tax and capital gains tax) are exempt from the deferral arrangements made, since § 222 sentences 3 and 4 AO remain unaffected by the deferral relief. However, the overall context of the BMF letter should be understood in such a way that the above-mentioned postponement of enforcement without late payment surcharges results in the same liquidity sequence as with deferral. The Bavarian State Office for Taxes also points out on its website that tax deduction amounts within the meaning of section 222 sentences 3 and 4 of the AO (wage tax and capital gains tax) cannot be deferred, but there is the possibility of submitting an application for deferral of enforcement to the responsible tax office. This would put an end to all tax payments covered by the measures upon application. For further treatment of wage tax, we expect a regulation on handling by the financial administration shortly. There are currently no statements on comparable liquidity aids for social security contributions.

The municipalities concerned are bound to the application for the reduction of the trade tax measurement amount for purposes of trade tax prepayments, which is also regulated in identical countries, when determining the trade tax advance payments. Any applications for deferment and remission due to the coronavirus should, as in regular cases, be addressed primarily to the municipalities.

The full text of the letters is available on the BMF website.

[You can find the BMF letter here.](#)

[You can go directly to the same country decrees on trade tax here.](#)

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