



COVID-19 – Measures aiming to tackle the effects of the Coronavirus pandemic

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Tax Alert



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COVID-19 – Measures aiming to tackle the effects of the Coronavirus pandemic

1. On 03.04.2020, the Ministry of Finance issued new Decisions, which provide for:

01 Ministerial Decision with ref.no. A.1073/2020

Businesses with main active –as of 20.03.2020- CPA code of those included in the updated list of CPA codes of affected business sectors, as well as businesses whose gross revenue generated from their active CPA code of secondary activity (as of 20.03.2020) is higher than the gross revenue deriving from their main CPA code activity (as of 20.03.2020) may benefit from the extension of the deadline for payment of VAT debts, which are due from 01.04.2020 until 30.04.2020. The said extension shall last until 31.08.2020.

The aforementioned businesses may also benefit from the postponement of payments for VAT debts, which are due on 01.04.2020, until 31.08.2020.

The above benefits shall automatically cease to apply in case: (i) the employer terminates the employment contracts of employees, whose employment contracts have been suspended, and (ii) after the completion of the measure, the businesses-employers do not preserve the same number of employees. Along with the revocation of the measures, the aforementioned debts will be burdened with interest and other surcharges, which will be calculated starting from the initial payment date.

02 Ministerial Decision with ref.no. A.1072/2020

Businesses with main active –as of 20.03.2020- CPA code of those included in the updated list of CPA codes of affected business sectors, as well as businesses whose gross revenue generated from their active CPA code of secondary activity (as of 20.03.2020) is higher than the gross revenue deriving from their main CPA code activity (as of 20.03.2020) may benefit from the extension of the deadline for payment of assessed debts, initially payable from 01.04.2020 until 30.04.2020. The said extension shall last until 31.08.2020.

It is further provided that the aforementioned businesses may also benefit from: (i) the extension of the deadlines for scheduled payments in the context of a debt settlement scheme until 31.08.2020, (ii) the postponement of the collection of assessed debt, due on 01.04.2020, until 31.08.2020.

The above benefits shall automatically cease to apply in case: (i) the employer terminates the employment contracts of employees, whose employment contracts have been suspended, and (ii) after the completion of the measure, the businesses-employers do not preserve the same number of jobs. Along with the revocation of the measures, the aforementioned debts will be burdened with interest and other surcharges, which will be calculated starting from the initial payment date.

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2. Electronic platform for the implementation of the measure of advance payment – deadline set on 10.04.2020

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The Joint Ministerial Decision with ref.no. A.1076/2020, issued by the Ministries of Finance and of Development & Investments, provides for the creation of an electronic platform, which is essential for the implementation of the measure of advance payment. The said payment shall be awarded to businesses drastically affected by the spread of COVID-19 by the State. The Joint Decision under examination defines the process for concerned businesses to submit expressions of interest.

The said Decision provides, inter alia, for:

- The establishment of an on-line platform, entitled «myBusinessSupport», in the Independent Authority for Public Revenue, that businesses will be able to use to submit their application for the grant of the advance payment;
- All private undertakings (regardless of their legal form or respective business sector) may submit expressions of interest, as long as (i) they employ one (1) to five hundred (500) employees, (ii) have their registered seat or a permanent establishment in Greece, and (iii) have been drastically affected by the spread of COVID-19;
- Further clarifications are provided regarding the businesses that are entitled to submit expressions of interest, as well as the required information that shall be submitted to «myBusinessSupport»;
- It is clarified that businesses may submit their expression of interest regardless of whether their CPA code is included in the list of CPA codes of affected business sectors;
- The final date for the submission of expressions of interest and of all required supporting information is set on 10.4.2020;
- It is expected that a relevant Joint Decision will be issued, which will provide further clarifications on the preconditions for the application of the measure, the application process for the grant of the advance payment, the calculation method that will be used to define the exact amount of the grant award, the conditions and the process of the refund to the State, as well as any other necessary detail. That Decision will be issued after the expiration of the period provided for the submission of expressions of interest, that is to say after April 10, 2020.

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3.Provision of extension of the deadline for submission of solemn declaration by businesses-employers that suffer an operating ban ordered by a State mandate until 10.04.2020

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By virtue of the Ministerial Decision with ref.no. 13272/Δ1. 4607/2020 issued by the Ministry of Labor, the extension of the deadline for the submission of the solemn declaration to the “ERGANI” information system is provided for businesses-employers. The said extension shall last until 10.04.2020.

It shall be noted that all businesses-employers that suffer an operating ban ordered by a State mandate shall submit the above solemn declaration. Through that solemn declaration, the businesses-employers declare the following information: a) the cessation of their business activity, as it has been ordered by a State mandate, on the basis of the list of CPA codes of affected business sectors issued by the Ministry of Finance (as the list has been amended and is in force), b) the identification data of the lessor and the real estate property leased, provided that businesses, which lease the real estate property for commercial use only, suffer an operating ban ordered by a State mandate, c) the names of employees, whose employment contracts have been suspended, and d) the names of employees –if any- whose employment contracts have been terminated from 01.03.2020 until 20.03.2020 (the said employees could either have been made redundant or have resigned).

4.Provision of extension of the deadline for the transmission of securities to the banking system.

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On 01.04.2020, the Ministry of Finance announced, through a Press Release, that the deadline for the transmission of securities to the banking system is extended. In particular, following the provisions of the Legislative Decree issued on 30.03.2020 which regulated for the postponement of the maturity and payment date for a securities for 75 days after the relevant date indicated therein, it has been announced that the deadline for the submission of the securities to the banking system shall be extended for an additional three (3) working days (which means, 6 days in total). Therefore, pursuant to the latest announcement, the final date for the submission of the securities is set on 07.04.2020.

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