COVID-19
APAC COUNTRY TAX MEASURES SUMMARY

Last update completed: May 27, 2020
As COVID-19 (Coronavirus) continues to reach new milestones and further impact the global economy, businesses are experiencing unprecedented disruption across the globe. From supply chain issues and diminished workforce mobility, to severe supply chain interruption, the threat to organizations is real and intensifying rapidly.

Many APAC jurisdictions have taken tax and economic measures to reduce the financial/tax burden on companies doing business in their jurisdiction. Overall, certain APAC jurisdictions have created a significant package that aims to provide relief for different groups and business.

This slide deck contains a high-level overview of the key measures that have been published in several APAC jurisdictions. Policy changes are being proposed and enacted on a daily basis. Although this document will be updated, not all information will be up-to-date as the process moves forward.

Please consult with your RSM engagement team to check for new developments and to determine how these provisions will impact your business.
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The Australian Government announced a COVID-19 economic relief package of AUD 189 billion. On March 24, 2020, the Australian Parliament passed AUD 86 billion in previously announced economic stimulus measures (the associated legislation was enacted on this date).

**Federal business tax measures**

- **Job Keeper Payments subsidy scheme**: The Job Keeper Payments subsidy provides a A$1,500 payment every two weeks per retained employee to employers. Eligible employers include businesses with aggregated annual turnover (global turnover) <A$1b where their GST turnover has fallen by 30%, or 50% for businesses with aggregated annual turnover >A$1b. The turnover of a business (as calculated for GST purposes) must have fallen in the relevant month or quarter (depending on the Business Activity Statement reporting period) relative to a year earlier. The subsidy is for six months and will be available from March 30, 2020 to Sept. 27, 2020.

- **Instant asset write-off**: Immediate deduction for new or second-hand assets costing less than AUD 150,000 for business with aggregated annual turnover of less than AUD 500 million. This measure applies to assets first used or installed ready for use between March 12, 2020 through June 30, 2020 and is applied on a per asset basis.

- **Accelerated depreciation until June 30, 2021**: Accelerated depreciation deductions (50% on installation) for businesses with aggregated annual turnover of less than AUD 500 million. This measure applies to the cost of a new depreciable asset or installation that are acquired after March 12, 2020 and first used or installed by June 30, 2021.

- **Small / medium business cash flow support**: Tax free payments up to AUD 100,000 for businesses with aggregated annual turnover of less than AUD 50 million that have employees.

- **Supporting apprentices and trainees – Jan. 1, 2020 to Sept. 30, 2020**: Eligible small businesses (those with less than 20 employees) may apply for a 50% subsidy on apprentice/trainee wages, up to AUD 21,000 per person, for up to 9-months from Jan. 1, 2020 to Sept. 30, 2020 (employees must be in training as of March 1, 2020).
Federal business tax measures (continued)

- Research and development (R&D) AusIndustry lodgement due date has been extended to Sept. 30, 2020 for companies with June 30 fiscal year ends. The R&D benefit functions as a tax offset worth 8.5 cents per AUD 1 of R&D expenses for companies with global revenues greater than AUD20 million, or a cash refund of 43.5 cents per AUD 1 for companies with global revenues less than AUD 20 million.

- Access to relief options below must be agreed with the Australian Tax Office (ATO) and will vary on a case-by-case basis.

- Payment deferrals of up to six-months for Business Activity Statements (BAS) payments (including pay-as-you-go installments), income tax payments, fringe benefits tax payments, and excise tax payments.

- Acceleration of goods and services tax (GST) refunds by changing to a monthly reporting cycle.

- ATOO administrative concessions for business affected by COVID-19:
  - Deferral of income tax and GST payments
  - Pay as you go (PAYG) installment variation
  - Change of business reporting cycle to monthly where GST refunds are available
  - Remission of interest and penalties on tax liabilities incurred after Jan. 23, 2020, for COVID-19 affected businesses
  - The ATO may apply a low interest payment plan on ongoing tax liabilities for affected businesses
Australia (continued)

Federal business tax measures (continued)
• PAYG installment payments may be varied down to zero for the March of 2020 quarter and a refund claimed for installments made for the September and December of 2019 quarters. Alternatively, refunds/deferrals can be requested for cash flow purposes. No imposition of penalties for instalment shortfalls in the end of year true up will be applied.
• Remission of interest and penalties on tax liabilities incurred on or after Jan. 23, 2020 and low interest payment plans for businesses with outstanding tax liabilities.

Personal tax measures
• Temporary early release of superannuation amounts is permitted for individual taxpayers and sole traders directly impacted by COVID-19, enabling access up to AUD 10,000 of their superannuation (on a tax-free basis in 2019-20), and up to a further AUD 10,000 in 2020-21 with no tax imposed on withdrawals.
• Temporary reduction in superannuation minimum drawdown rates by 50% for the 2019-20 and 2020-21 income tax years, permitting retirees to retain additional capital in superannuation funds that are subject to substantial tax concessions.

Non-tax business measures
• Stimulus payment to lower income Australians – AUD 750 payment to individuals accepting social security, veterans and income support payments.
• Assistance for severely-affected regions – AUD 1 billion allocation to communities heavily reliant on tourism, agriculture and education. Administrative relief for certain tax obligations on case-by-case basis.
• Aviation Rescue Package – Federal government will waive AUD 715 million in fees and charges for Australian Domestic Airlines.
Health measures

- Health Package – AUD 2.4 billion health package – new Medicare telehealth service, personal protective equipment for patients and health staff, infection control programs, aged care and research.

Link(s) and resources

- ATO COVID-19 stimulus measures
- ATO COVID-19 FAQs
- Official Australian government response to COVID-19
- Australian Taxation Office Support for Large Business Impacted by COVID-19

Note: Please see the Appendix to this slide deck for additional information with respect to the additional benefits afforded by certain Australian states and territories. Please refer to the following link for additional details: https://www.rsm.global/australia/coronavirus
The Chinese government has issued several tax relief measures for epidemic prevention enterprises and donation:

- Removal of the cap on foreign debt for enterprises, where necessary.
- Pumping a total of RMB 1.2 trillion (USD 172 billion), via reverse repos, to inject funds into the market to ensure ample liquidity and supply.
- Adopt financial measures covering aspects including liquidity and credit, livelihood finance, financial infrastructure, foreign exchange and cross-border Renminbi business.
- The Ministry of Finance (MoF) also issued relevant fiscal policies, involving loan interest subsidy and guarantee fee reduction.
- Local governments released a series of intellectual property (IP) related measures (e.g., IP financing from financial institution, green channel for registration).
- Local governments announced other policy measures to support enterprises’ resumption of operation (e.g., providing subsidy, online approval for investment projects).
- Expansion of loan financing to key industries such as manufacturing sector, private enterprises and small-sized enterprises with marginal profit;

**Personal tax measures**

- Individual Income Tax (IIT) exemption on additional allowance and bonus for medical staffs and qualifying personnel who has been involved in COVID-19 prevention, treatment and or handling related emergencies.
- IIT exemption on medicines, medical supplies and protective equipment provided from enterprises to employees.
- Qualifying donations are allowed to be deducted in full for IIT purposes.
- Social securities and housing funds that are contributed by enterprises may be reduced and exempted temporarily.
VAT, GST, and trade measures

- Enterprises of key medical and daily living supplies (KSMEs) may apply to the competent tax authorities for a full refund of the incremental input VAT credits incurred after the end of December 2019 on a monthly basis.

- Exempt VAT for small-scale VAT taxpayers in Hubei and reduce VAT collection rate for those in other regions (effective from March 1, 2020 to May 31, 2020).

- Cross-border donations for supporting the epidemic prevention and control are exempt from import duties and import-level VAT and Consumption Tax (CT).

- For prescribed imports from the USA, the tariff reduction obligations suspended will be resumed and the additional tariffs that have already been levied will be refunded.

- Entities and self-employed industrial and commercial households (SICHs) that donate self-produced, contract-processed or purchased are exempt from VAT, CT and local tax/surcharges.

- Temporarily waive on-site inspection for designated taxpayers’ application for VAT invoices.

- Provide more convenience for export VAT filing and accelerate tax refund process amid the epidemic control.

- Local government introduced Real Estate Tax and Urban Land Use Tax relief policies.

- Big data analysis (particularly the data on VAT invoices) is leveraged to assist governments in making well-informed decisions.

- The Beijing Tax Authority launched the blockchain based general VAT invoice on a pilot basis.

- Further extension of VAT monthly filing – nationwide tax filing deadline of April 2020 has been extended to April 24, 2020. Further extension may be possible.
China (continued)

Business tax measures

- Equipment purchased by the manufacturing enterprises of KSMEs for expanding production capacity is allowed to be one-off deducted in the same period for CIT purposes.
- Extend the carry-forward period for loss incurred in 2020 from five to eight years for qualifying enterprises.
- Qualifying donations are allowed to be deducted in full for CIT purposes.
- Better law enforcement: tax authority should not: carry out tax inspections against taxpayers without significant risks; carry out on-site inspections without approval; stop issuing invoices to taxpayers who act in accordance with laws.
- Take measures to ensure thorough implementation of tax and fee incentives, including providing timely public guideline, improving IT system and strengthening supervision/ evaluation among tax authorities at all levels.
- Extend the tax filing deadline for February and March 2020, and promote non-contact services, including online service, personalize services and service by appointment.
- Deferral Housing Fund payment: Contribution by employers (for Feb to Jun) may be deferred to June 30, 2020.
- CIT quarterly filing extension – nation-wide CIT quarterly filing deadline of April 2020 has been extended for four days to April 24, 2020.

Link(s) and resources

- [http://www.chinatax.gov.cn/eng/n4260854/c5146227/5146227/files/2c0c7d469b204eeeaae57d2bf27f5f36.pdf](http://www.chinatax.gov.cn/eng/n4260854/c5146227/5146227/files/2c0c7d469b204eeeaae57d2bf27f5f36.pdf)

Note: Please see the Appendix to this slide deck for additional information with respect to the additional benefits afforded by certain Chinese provinces.
On February 26, 2020, the Hong Kong Financial Secretary proposed a one-off reduction of profits tax, salaries tax, and tax under personal assessment for the year of assessment 2019/2020 (i.e. for the year ended Dec. 31, 2019) by 100%, subject to a ceiling of HKD 20,000 per case. This reduction will be deducted directly from the taxpayer’s 2019/2020 final tax payable amount.

Taxpayers should file their tax returns for the year of assessment 2019/2020 as usual. Upon enactment of the relevant legislation, the Hong Kong Inland Revenue Department will effect the reduction in the final 2019/2020 tax assessment. An overview of the proposed measures is as follows:

**Business tax measures**

- **Job retention:**
  - Employment Support Scheme which provides wages subsidies to eligible employers to retain their employees. Subsidies calculated on the basis of 50% of wages (with a wage cap of HK$18,000 per month) for a period of six months

- **One-time relief measure:**
  - Reducing profits tax for 2019 – 2020 by 100%, subject to a ceiling of HKD 20,000.
  - Automatic deferral for payments of profits tax due in April, May and June 2020 by three months

- **Recurring tax measures (proposals):**
  - Offering a profits tax exemption to qualifying ship lessors and a 50% profits tax concession to qualifying ship leasing managers in future years.
  - Providing tax concession for carried interest issued by private equity funds operating in Hong Kong subject to the fulfilment of certain conditions starting from 2020/2021 upon completion of the legislative exercise.
Salaries tax

- **One-time relief measure:**
  - Reducing salaries tax and tax under personal assessment for 2019 – 2020 by 100%, subject to a ceiling of HKD 20,000

Others measures

- Waiver of registration fees for all annual returns for two years.
- One-off cash payout of HKD 10,000 to each Hong Kong Permanent resident aged 18 or above.
- Waiver of rates for four quarters of 2020 – 2021, subject to a ceiling of HKD 1,500 per quarter for each rate-able residential property / HKD 5,000 per quarter for the first two quarters and HKD 1,500 per quarter for the remaining two quarters for each rate-able non-domestic property.
- Extra allowance to Comprehensive Social Security Assistance payments, Old Age Allowance, Old Age Living Allowance and Disability Allowance recipients, equal to one month of the allowances.
- Paying one month’s rent for lower income tenants living in public rental units.
- Waiver of 75% of water and sewage charges payable by non-domestic households for four extra months, subject to a monthly cap of HKD 20,000 and HKD 12,500 respectively per household.
- Subsidy to each eligible non-domestic household accounts for four extra months to cover 75% of their monthly billed electricity charges, subject to a monthly cap of HKD 5,000 per account.
Others measures (continued)

- Introduction of concessionary low-interest loan under the SME Financing Guarantee Scheme, under which 100% guarantee will be provided by the government of Hong Kong.

- Concessionary low-interest loan is introduced with 100% government guarantee for enterprises, which will be open for application for six months. Maximum loan of $2 million with repayment period up to three years. Moratorium on principal repayment for first six months.

Link(s) and resources

The Indian government announced the following tax measures to provide an update on the COVID-19 effects for companies:

On March 19, 2020, India announced the formation of the COVID-19 Economic Response Task Force which has announced various measures, including approval of schemes worth $1.5 billion and $560 million respectively to ensure production of critical drugs and medical equipment in India and permitting food grain to be lifted by States/Union Territories on credit from Food Corporation of India for three months.

On May 12, 2020, the stimulus package of INR20 trillion ($266 billion), approximately 10% of Indian GDP was announced by the Prime Minister of India. The stimulus package will focus on reforms relating to land, labor, liquidity and laws. The details of this package will be announced by the Finance Minister in a phased manner from May 13, 2020.

On May 13, 2020, the first tranche of the stimulus package worth approximately $66 billion was announced, which covered certain relief measures, tax measures and liquidity measures.

Corporate law relaxations include: companies’ expenditure to deal with the COVID-19 outbreak will be considered as Corporate Social Responsibility (CSR) activity; mandatory requirement of holding board meetings by Indian companies within prescribed interval of 120 days to be extended by a period of 60 days for next two quarters; no fee charged for delayed corporate law filings in respect of any document, return, statements from April 1, 2020 to Sept. 30, 2020; applicability of companies (Auditor’s Report) Order, 2020 from 2020 – 2021 instead of 2019 – 2020; requirement to file Declaration for Commencement of Business by New Companies increased to 12 months from six months.

Measures introduced by the Central Bank include US$4 billion in forex swaps to provide dollar liquidity at a time when dollar availability is drying up; $5.7 billion in government bond purchases in March; $14 billion in overnight liquidity made available to banks via the repo window; $14 billion in long term repo operations where banks can raise funds for one to three years at the repo rate.
**India**

**Income tax measures**
- The due date for linking AADHAR to PAN extended from March 31, 2020 to June 30, 2020.
- The “Vivad Se Vishwas Scheme” (Dispute Resolution Scheme for direct tax) has been extended from March 31, 2020 to June 30, 2020 without additional payment of 10% provided payment is made by June 30, 2020.
- Due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and where the time limit is expiring between March 20, 2020 to June 29, 2020 shall be extended to June 30, 2020.
- For delayed payments of advanced tax, self-assessment tax, regular tax, Tax Deducted at Source (TDS), Tax Collected at Source (TCS), equalization levy, Securities Transaction Tax (STT), CTT made between March 20, 2020 and June 30, 2020, reduced interest rate at 9% instead of 12%/18% per annum (i.e. 0.75% per month instead of 1/1.5% per month) will be charged for this period. No late fee/penalty shall be charged for delay relating to this period.

**GST / indirect tax measures**
- Monthly compliance for person having turnover less than Rs. 50 million
  - Last date can file Form GSTR-3B due in March, April, and May of 2020, by the last week of June 2020. No interest, late fee, and penalty to be charged.
GST / indirect tax measures (continued)

• Monthly compliance for others
  - Others can file returns due in March, April, and May 2020, by last week of June 2020 but the same would attract reduced rate of interest at 9 % per annum from 15 days after due date (current interest rate is 18% per annum). No late fee and penalty to be charged, if complied before till June 30, 2020.

• Due date for issue of notice, sanction order, filing of appeal, etc. time limit for any compliance under GST law or Customs Act and allied laws where the time limit is expiring between March 20, 2020 to June 29, 2020 shall be extended to June 30, 2020.

• Payment date under “Sabka Vishwas Scheme” (Dispute Resolution Scheme for indirect tax) shall be extended to June 30, 2020. No interest for this period shall be charged if paid by June 30, 2020.

• Date for opting for composition scheme is extended till the last week of June 2020. Further, the last date for making payments for the quarter ending March 31, 2020, and filing of return for 2019 – 2020 by the composition dealers will be extended till the last week of June 2020.

Corporate measures

• No additional fees shall be charged for late filing during a moratorium period from April 1, 2020 to Sept. 30, 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of companies/Limited Liability Partnerships (LLPs) at large, but also enable long-standing noncompliant companies/LLPs to make a ‘fresh start’.

• The mandatory requirement of holding meetings of the Board of the companies within prescribed interval (maximum 120 days between board meetings) provided in the Companies Act 2013, shall be extended by a period of 60 days till next two quarters (i.e., until Sept. 30, 2020).
Corporate measures (continued)

- Applicability of companies (Auditor’s Report) Order, 2020 related to new format of statutory audit reports for companies shall be made applicable for financial year 2020/2021 instead of from 2019 – 2020 which was notified earlier. This will significantly ease the burden on companies and their auditors for the financial year 2019/2020.

- As per schedule 4 to the Companies Act, 2013, Independent Directors (IDs) are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For financial year 2019/2020, if the IDs of a company have not been able to hold even one meeting, the same shall not be viewed as a violation.

- Newly incorporated companies are required to file a declaration for Commencement of Business within six months of incorporation. An additional time of six more months shall be allowed.

- Noncompliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under section 149 of the Companies Act, shall not be treated as a violation.

- Due to the emerging financial distress faced by most companies on account of the large-scale economic distress caused by COVID-19, it has been decided to raise the threshold of default under section 4 of the Insolvency and Bankruptcy Code (IBC) 2016 to Rs.10 million from the existing threshold of Rs. 100,000). This will by and large prevent triggering of insolvency proceedings against Medium and Small enterprises.

Personal tax measures:

- Due date for filing of individual tax returns for tax year 2019/2020 has been extended up to Nov. 30, 2020.

- Delay in payment of income-tax up to June 30, 2020 will be subject to reduced interest rates. For delayed payment until June 30, 2020, there will be no levy of penalty or late fee or initiation of prosecution.
Personal tax measures (continued)

- Delay in payment of income-tax up to June 30, 2020, will be subject to reduced interest rates. Further, for such delayed payment until June 30, 2020, there will be no levy of penalty or late fee or initiation of prosecution.

- All due dates for filing tax returns, notices, appeals and making investments for claiming various tax deductions falling during the period March 20, 2020 to June 29, 2020 has been extended to June 30, 2020.

- The Central Government will pay provident fund (social security) contributions for three months for eligible employees who are employed in eligible establishments.

- Rate of Provident Fund (social security) contribution for both employer and employee has been reduced from 12% to 10%.

- The Central Government will pay provident fund (social security) contributions for three months for eligible employees who are employed in eligible establishments.

Link(s) and resources

On March 13, 2020, the Coordinating Minister of Economic Affairs formally announced a stimulus package due to the COVID-19 pandemic which covers tax and non-tax programs. On March 23, 2020, the Minister of Finance issued a formal regulation on tax stimulus package due to the COVID-19 pandemic. The key relevant programs include:

### Business tax measures

- Six months of employee income tax to be borne by the government
- Six months of import tax exemptions
- The following measures are made available for the tax period from April 2020 through September 2020:
  - 30% reduction of CIT installments for manufacturing (102 manufacturing sector codes) and export-oriented companies (KITE status)
  - Import tax exemptions (non-final withholding tax relief) for manufacturing sectors (102 manufacturing sector codes) and export-oriented companies (KITE status).

The following changes of tax policies are issued and in effect on March 31, 2020:

- The CIT rate is reduced from 25% to 22% for tax years 2020 and 2021, and to 20% for tax year 2022 onward. A 19% CIT rate applies for certain IDX listed companies for tax years 2020 and 2021, and a 17% tax rate would apply for tax year 2022 onward.

Indonesia has published a regulation on the procedures for the submission of corporate tax returns for the 2019 tax year in light of the COVID-19 pandemic. The deadlines for the submission of complete financial statements and certain other documents required with the return is extended to June 30, 2020, provided that a notification is submitted that the complete financial statements and other documents will be submitted by that date. With the extension to June 30, 2020, no late filing penalties will apply, although any underpayment will be subject to the late payment penalty of 2% per month.
Personal tax measures
• Employee income tax to be borne by the government from April 2020 through September 2020 is available for the following companies and individuals:
  – Manufacturing companies (440 manufacturing sector codes)
  – Companies that are registered as export-oriented (KITE status)
  – Any employees whose regular income does not exceed IDR 200 million (USD 13,000) per year
• Individual income tax filing and payment extended from April 1, 2020, to April 30, 2020 (with no imposition of penalties).

VAT, GST, and trade measures
• Advance value-added tax (VAT) refund claims up to IDR 5 billion (USD 330,000) for six months.
• Acceleration of VAT refund claims for manufacturing (102 manufacturing sector codes) and export-oriented companies (KITE status). Tax audits will be automatically initiated when new VAT refund claims are made.

Other non-tax measures
• Improved export and import procedures
• Banks restructuring and rescheduling loans

Link(s) and resources
• https://www.pajak.go.id/id/peraturan-menteri-keuangan-nomor-23pmk032020
• https://www.pajak.go.id/id/keputusan-direktur-jenderal-pajak-nomor-kep-156pj2020
• https://www.ojk.go.id/id/regulasi/Pages/Stimulus-Perekonomian-Nasional-Sebagai-Kebijakan-Countercyclical-Dampak-Penyebaran-Coronavirus-Disease-2019.aspx
Individual tax measures:

The National Tax Agency (NTA) has released the announcement on March 6, 2020 that filing and payment due dates for individual income tax, individual consumption tax, and gift tax for 2019 will be extended as follows due to the spread of COVID-19:

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<th>Extended due date*</th>
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<td>April 16, 2020</td>
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<tr>
<td>Individual consumption tax filing and payment</td>
<td>March 31, 2020</td>
<td>April 16, 2020</td>
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<tr>
<td>Gift tax filing and payment</td>
<td>March 16, 2020</td>
<td>April 16, 2020</td>
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* On April 6, 2020, the National Tax Agency of Japan announced that a further extension is available for those impacted by the crisis.

Note: Extending the due date for corporations is under discussion, but no official announcement has been made as of yet.

Business tax measures:

For corporations, the NTA has announced the following measures on March 25, 2020:

- Any corporate tax payments are deferred for up to a year without interest and collateral if gross income decreases by 20% or more.
- If, and when, the Annual General Shareholders’ meeting where the financial statements are approved, based on which corporate tax returns are produced, is put off (usually due within three months after the fiscal year-end), corporate income tax filing due may be extended on request.
Business tax measures: (continued)

- If, and when, the Annual General Shareholders’ meeting where the financial statements are approved, based on which corporate tax returns are produced, is put off (usually due within three months after the fiscal year-end), corporate income tax filing due may be extended on request.

- If and when the company has a difficulty in filing the corporate income tax returns in time (except above) due to infections or influences of COVID-19, corporate income tax filing due may be extended on request.

- Consumption tax filing due (within two months after the fiscal year-end) may be extended on request due to COVID-19.

- Corporations with common capital of JPY1 billion (USD10 million) or less (except those controlled by another company with common capital of more than JPY1 billion (USD10 million)) are eligible for one-year NOL carry-back.

- Certain telework equipment introduced in accordance with certified investment plan is eligible for 7-10% tax credit or 100% accelerated depreciation.

- Property tax and City planning tax for qualified SMEs are reduced by 50% if gross income decreases by 30% or more, and by 100% if gross income decreases by 50% or more.

- Investment in high-productivity buildings and structures are added to the scope of lower property tax.

- Stamp duty is not imposed on loan agreements if associated with COVID-19 related loans.
On March 19, 2020 Malaysia’s central bank cut its statutory reserve ratio by 100 basis points to 2.00%, releasing 30 billion ringgits (USD 6.81 billion) into the banking system. On Feb. 27, 2020, the Malaysian government announced a RM20 billion (USD 4.75 billion) stimulus package comprising tax and non-tax measures anchored on three strategies:

- **Strategy 1**: Mitigating impact of COVID-19 by easing cash flow, providing assistance to affected individuals, promoting human capital development and stimulating the tourism sector
- **Strategy 2**: Catalyzing Rakyat-centric (i.e., people-centric) economic growth
- **Strategy 3**: Promoting quality investment

**Non-tax measures**

- Accelerated public sector investments in the National Fiberisation and Connectivity Plan and opening of bid quotas for 1,400 MW of solar power generation.
- RM100 million allocation to the Human Resources Development Fund for grants to train and upskill affected employees.
- RM500 million allocation for travel vouchers, grants and tourism promotion.
- RM2 billion allocated to federal, state, and local governments for small infrastructure repair, maintenance, and upgrading projects.
- An RM500 million co-investment fund for investments alongside private investors in early-stage and growth-stage Malaysian companies.
Business tax measures

• Deferment of monthly income tax installment payments for businesses in the tourism sector from April 1, 2020 to Sept. 30, 2020.
• Deferment of monthly tax installments for three months effective April 1, 2020, by Medium Enterprises (SMEs).
• Businesses with profits impacted by disrupted supply chains and customer patterns will have an earlier window to revise tax estimates.
• Accelerated tax depreciation (capital allowances) on purchases of machinery and equipment as well as information and communications technology from March 1, 2020 to Dec. 31, 2020.
• Tax deduction for refurbishment and renovation costs: It is proposed that a tax deduction of up to RM300,000 be given on costs for renovating and refurbishing business premises, where such costs are incurred between March 1, 2020, and Dec. 31, 2020.
• Double deduction for the establishment of regional operations by international shipping companies.
• Two month extended grace period for companies to electronically file their 2019 income tax returns.
• Employers in all sectors are exempted from the Human Resources Development Fund levy for a period of six months.
• Extension of time until April 30, 2020, for any indirect tax returns that are due on March 31, 2020. Full remission of penalty for these returns that are submitted within the extended period.
Personal tax measures

- Personal tax relief of up to RM1,000 on domestic tourism expenditures.
- Two month extended grace period for individuals to electronically file their 2019 income tax returns.
- Withdrawal of funds from Private Retirement Scheme between April to December 2020 is permitted up to a maximum of RM1,500, without the 8% tax penalty.
- Contributions and donations (cash and in-kind) to the COVID-19 Fund will be allowed as tax deductions.
- Property owners who rent their properties to SMEs with a reduced rent (of at least 30% of the original rental amount) from April 2020 to June 2020 will be given a further deduction equivalent to the reduction in rental for the said period.

VAT, GST and trade

- Import duty and/or sales tax exemption will be granted on the import or domestic purchase of machinery and equipment to be used in port operations.
- Extension of time for payment until May 31, 2020, for any indirect tax returns that are due on March 31, 2020 and April 30, 2020.
On March 17, 2020, the government of New Zealand released its NZD 12.1 billion Business Continuity Package. The package represents approximately 4% of New Zealand’s annual GDP and is one of the largest packages in the world on a per capita basis. The package includes various tax and economic measures to provide financial relief to businesses and individuals in the most affected industries by the COVID-19 pandemic.

**Business measures**

- **Depreciation deductions on commercial and industrial buildings:** NZD 2.1 billion for depreciation deductions, reintroduced for new and existing industrial and commercial buildings, including hotels and motels. Provisional tax payments can start being reduced for fiscal year 2020/2021.
- **Immediate deductions for low-value assets (for FY20/21 only):** NZD 667 million to enable immediate deductions for the full cost of low-value assets, up to NZD 5,000 (increased from NZD 500). After fiscal year 2020 – 2021 the threshold will be returned to NZD 1,000.
- **Provisional tax changes for small business:** Provisional tax threshold increased from NZD 2,500 to NZD 5,000 to allow small taxpayers to delay paying taxes. They will now have until Feb. 7, of the following year to pay tax, rather than having to pay instalments throughout the year.
- **Write-off on interest for certain late payment of tax (next two years):** Commissioner will be given the power to waive interest on late payments for taxpayers who have had their ability to pay their tax on time significantly affected by COVID-19. Applies to interest on all tax payments due on/after Feb. 14, 2020.
New Zealand (continued)

Business measures

- **Income support for lower income individuals**: NZD 2.8 billion income support package for seniors and low-income families, including:
  - NZD 25 per week increase to benefits
  - Doubling of 2020 Winter Energy Payments
  - Working families with children do not have to satisfy the 'hours test' to receive the In-Work Tax Credit from July 1, 2020

- **Initial aviation support package**: NZD 600 million aviation support package to airlines, including: NZD 162 million to pay passenger-based government charges for six months, NZD 37 million to cover airways related fees and NZD 70 million in general financial support to airways.

- **Wage subsidy scheme**: Employers eligible to receive the subsidy will receive a lump sum payment of the equivalent of NZD $585/week for each eligible full-time employee, and $350/week for part-time employees. The subsidy will be capped at 12 weeks. A prior cap of $150,000 per employer has now been removed. The subsidy amount is not taxable, nor deductible to the business. Amounts paid as wages are subject to usual withholding and reporting requirements. The subsidy will be administered by the Ministry of Social Development (MSD). The same measures will be available for those who are self-employed and working as contractors.

- **COVID-19 leave payment scheme**: This scheme available only for essential workers. It will compensate employers of essential workers to claim a payment equivalent to the wage subsidy for essential workers who are unable to work because they need to self-isolate, are an at-risk person or in close contact with an at-risk person. The employer does not need to show a 30% drop in revenue, but the 80% earnings threshold will remain.
New Zealand (continued)

Business measures (continued)

• Tax loss carry-back regime that allows losses to be carried back by one year. The temporary measure applies to losses incurred in the years 2019 – 2020, or 2020 – 2021. It allows for refunds of previously paid tax before the loss year is finished. Taxpayers generally access this provision by changing their estimated provisional tax. The deadline for re-estimating provisional tax is extended from the final installment date until the date the tax return is due or filed, whichever is the earlier. Almost all types of taxpayers – companies, trusts, and individuals – are eligible to carry back losses.

• Loss continuity rules: Changes have been announced to relax the rules that allow for carry forward of tax losses, by introducing a “same or similar” business test from the 2020 – 2021 income year, the legislation for this is expected to be introduced later in 2020.

Health measures

• Health package: NZD 235 million health package for increased testing, contact tracing and to increase the capacity of GPs and hospitals. NZD 255 for future health needs including extra medicines, flu vaccines and personal protective equipment supplies.

Other measures

• The government, working with retail banks, has announced that mortgages and business loans will be eligible for repayment holidays from March 26, 2020, for six months. The scheme will include a limit of $500,000 per loan and will apply to firms with a turnover of between $250,000 and $80 million per annum. The loans will be for a maximum of three years and expected to be provided by the banks at competitive, transparent rates. The government will carry 80% of the credit risk, with the other 20% to be carried by the banks.
Other measures (continued)

- From May 12, 2020 the Small Business Cashflow Loan Scheme will provide loans of up to $100,000 ($10,000 to every firm plus $1,800 per equivalent FTE). This scheme is open to businesses with fewer than 50 FTE staff and who qualify for the wage subsidy. Loans will be administered by Inland Revenue, are interest free if repaid within one year, but are subject to 3% interest if taken for a longer period, with a maximum term of five years. Repayments are not required for the first two years.

Link(s) and resources

On March 16, 2020, the Philippines announced a PHP 27.1 billion (USD 542 million) support package to combat the economic effects of the COVID-19 pandemic. Some of the measures covered in the support package include the following:

- Providing funds to directly contribute to efforts to stop the spread of COVID-19.
- Providing wage subsidy/financial support and unemployment benefits to affected businesses and displaced workers.
- Scholarship programs for the upskilling and reskilling of displaced workers.
- Programs and projects to support the tourism industry.
- Loans and a one-year moratorium for small farmers and fisher folks.
- Microfinancing special loan package for affected micro entrepreneurs/micro, small, and medium enterprises.
- Ongoing assistance to find new supply sources and non-traditional markets for industries affected by supply chain disruptions.

**Additional support mechanisms**

- Mobilizing funds from government-owned and controlled corporations to assist airlines and the broader tourism industry.
- Offering low-interest loans and loan amortization restructuring programs through the Philippines’ largest government banks.
- Granting of temporary regulatory and liquidity relief measures for financial institutions as approved by the Monetary Board.

**Personal tax measures**

- Filing and payment of the Annual Income Tax Return for Individuals (BIR Forms 1700, 1701, and 1701A) for calendar year ending Dec. 31, 2019, and required attachments are further extended until May 30, 2020, without interest and penalties.
VAT, GST, and trade measures

- The filing and payment of BIR Forms 2250M and 2550Q (monthly and quarterly VAT), due between March 20, 2020, and April 15, 2020, has been extended for 30 calendar days without the imposition of penalties. Taxpayers who are ready to file ahead of the extended deadlines are encouraged to file and pay their taxes using the BIR’s electronic filing and payment facilities.

- Filing of VAT refund applications for the quarter ending March 31, 2020, is extended until April 30, 2020. The 90-day period for the processing of filed VAT refund claims and claims that will be filed from March 16, 2020 to April 20, 2020, is suspended.

Business tax measures

- Filing and payment of the Annual Income Tax Return for Corporations for the years ending Dec. 31, 2019 and Jan. 31, 2020 are extended until June 14, 2020 without interest and penalties. For the year ending Feb. 29, 2020, the deadline is extended until July 15, 2020 without interest and penalties.

- Submission of the audited financial statements and BIR Form 2307 to the e-filed Annual Income Tax Return for the years ending Nov. 30, 2019, Dec. 31, 2019, Jan. 31, 2020, and Feb. 29, 2020 are extended until May 29, 2020, June 30, 2020, July 15, 2020, and July 30, 2020, respectively.

- Filing and/or payment of BIR Forms 1702Q for the quarter ending Jan. 31, 2020, 1604E, 1601C for the month of March 2020, 1604CF, 2316 and other submissions falling due within the emergency period from March 16, 2020 are further extended until May 15, 2020 without interest and penalties.
Business tax measures (continued)

- Tax returns filed within the original deadline or before the extended deadlines can be amended and the additional tax, if any, be paid on or before the extended due date without interest and penalties. Overpaid taxes on the amended returns can be credited to succeeding periods or refunded.

Link(s) and resources

Against the backdrop of uncertain times and COVID-19 outbreak, Singapore’s Deputy Prime Minister and Minister for Finance, Mr. Heng Swee Keat, delivered the 2020 Budget on Feb. 18, 2020. Amongst the tax changes and measures introduced in the 2020 Budget, a SGD 6.4 billion package is set aside to deal with the immediate challenges and COVID-19. It comprises the following:

- SGD 800 million to supporting frontline agencies in their efforts to contain the COVID-19 outbreak, with the bulk allocated to the Ministry of Health.
- Stabilization and Support Package of SGD 4 billion to stabilize the economy and support workers and enterprises.
- Care and Support Package of SGD 1.6 billion to provide additional and timely help to more households with their cost of living.

**Business tax measures**

- Granting a corporate income tax rebate of 25% of tax payable, capped at SGD 15,000 (USD 10,700) for the year of assessment (YA) 2020.
- Automatic extension of interest-free instalments of two months for payment of CIT on Estimated Chargeable Income (ECI).
- Enhancing the carry-back relief scheme to allow qualifying deductions for YA 2020 to be carried back up to the three immediately preceding YAs (it is currently allowed for only the immediately preceding YA), capped at SGD 100,000 (USD 71,400) of qualifying deductions and subject to conditions.
- Providing an option to accelerate the tax depreciation claim for plant and machinery acquired for YA 2021 over two years (i.e., 75% of the cost in YA 2021 and remaining 25% in YA 2022).
- Providing an option to accelerate the deduction of qualifying expenditures incurred on renovation and refurbishment for YA 2021 in one YA instead of over three consecutive YAs as currently allowed, subject to an expenditure cap of SGD 300,000 (USD 214,200).
VAT, GST, and trade measures

- As no goods and services tax (GST) rate increase was announced, the rate will remain at 7% in 2021; it is expected to increase to 9% sometime between 2022 and 2025.


Economic measures supporting businesses

- Enhanced property tax rebate for 2020
  - 100% for qualifying commercial properties (e.g., hotels, serviced apartments, shops, and restaurants)
  - 60% for integrated properties
  - 30% for all other non-residential properties

- Enhanced rental waivers
  - Three months for stallholders in hawker centers and markets
  - Two months for commercial tenants (e.g., retail, food and beverage, recreation, entertainment, and healthcare)
  - 0.5 month for all other nonresidential tenants of government agencies

- Cash flow and cost support
  - Automatic three-month deferment of corporate income tax payment due from April to June 2020
  - One-year freeze on all government fees and charges, from April 1, 2020 to March 31, 2021
Economic measures supporting businesses (continued)

- **Credit support**
  - Enhancements
  - Temporary
  - 80%

- **Support for capability development**
  - Productivity Solutions Grant
    - Support increased to 80%
  - Enterprise Development Grant
    - Support increased up to 80% or 90% (for enterprises severely impacted by COVID-19)
  - SME Go Digital Program
    - Scope expanded to include safe distancing and business continuity measures
    - Up to 80% funding for adopting advanced digital solutions
  - Skills Future Singapore (Course Fee Subsidy and Absentee Payroll for COVID-19 affected sectors)
    - 90% subsidy support for selected courses, now extended to more sectors
    - 90% enhanced absentee payroll rates to all sectors
Economic measures supporting businesses (continued)

- **Defer payment of principal on secured SME loans**
  - SMEs can apply to lenders to defer principal repayments on their secured term loans until Dec. 31, 2020
  - Interest remains payable, including additional interest accrued on the deferred principal amount
  - The loan term may be extended by up to the corresponding principal deferment period
  - Borrower must not be more than 90 days past due on loan repayments as at April 6, 2020

- **Lower Interest on SME Loans**
  - Banks and finance companies may apply for MAS funding for new loans supported under Enterprise Singapore’s SME Working Capital Loan and Temporary Bridging Loan schemes
  - Any savings in funding costs are to be passed down to SMEs

- **Assistance with insurance premium payment**
  - SMEs can apply to insurers for instalment payment plans for general insurance policies that protect their business and property risks
Singapore (continued)

COVID-19 short term loan program

<table>
<thead>
<tr>
<th></th>
<th>Temporary Bridging Loan Scheme (TBLS)</th>
<th>EFS SME Working Capital Loan (SME WCL)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantum</strong></td>
<td>$5 million (up from $1 million)</td>
<td>$1 million (up from $300K)</td>
</tr>
<tr>
<td><strong>Interest rate</strong></td>
<td>Capped at 5% per annum</td>
<td>No change</td>
</tr>
<tr>
<td><strong>Government risk share</strong></td>
<td>80%</td>
<td>80% (raised from the current 50% to 70% for young companies)</td>
</tr>
<tr>
<td><strong>Max repayment period</strong></td>
<td>5 years</td>
<td>5 years</td>
</tr>
</tbody>
</table>
| **Eligibility**           | Singapore Citizen and PR owns 30% of equity shareholdings | • Singapore Citizen and PR owns 30% of equity shareholdings AND  
                          |                                        | • Group revenue up to $100 million OR Maximum employment of 200 employees |
| **How to apply?**         | Approach participating financial institutions (PFIs) to apply |
| **Availability**          | March 2020 to March 2021              |                                       |
| **Others**                | May apply to PFIs for one-year deferment of principal repayment to manage debts |
Measures supporting COVID-19 affected sectors

• **Aviation sector**
  - 75% wage offset for the first SGD 4,600 monthly wage per local employee under Jobs Support Scheme for airlines, airport ground handlers, and airport operators.
  - SGD 350 million Enhanced Aviation Support Package to fund measures such as rebates on landing and parking charges and rental relief for airlines, ground handlers, and cargo agents in order to retain a minimum level of connectivity to the world.

• **Tourism sector**
  - 75% wage offset for the first SGD 4,600 monthly wage per local employee under Jobs Support Scheme for licensed hotels, travel agents, tourist attractions, cruise terminals, and operators and purpose-built MICE venue operators.
  - SGD 90 million set aside to aid the rebound of the tourism industry at the appropriate time.

• **Food services sector**
  - 50% wage offset for the first SGD 4,600 monthly wage per local employee under Jobs Support Scheme for licensed food shops and food stalls.

• **Land transport sector**
  - Special Relief Fund payments for eligible tax main hirers and Private Hire Car (PHC) drivers of SGD 300 per vehicle per month until the end of September 2020.
  - Taxi and PHC operators license fee waivers will be extended for another six months.
  - One-year road tax rebate and six-month waiver of parking charges at government-managed parking facilities for private business owners.
Singapore (continued)

Measures supporting COVID-19 affected sectors (continued)

- **Maritime sector**
  - 50% port dues concession for passenger vessels extended until Dec. 31, 2020
  - Additional 35% rebates on counter rental and overnight berthing for regional ferry operators for three months from March 2020

- **Arts & culture sector**
  - SGD 55 million support package to safeguard jobs and retain capabilities, support capability development, and step up digitization efforts

Measures supporting workers

- **Jobs Support Scheme**
  - Government co-funds 25% on monthly wage of local employee, capped at SGD 4,600
  - Higher support of up to 75% for sectors severely hit by COVID-19
  - Support extended to cover wages paid in February to July 2020

- **Wage Credit Scheme**
  - The payout has been brought forward to June 2020

- **SG United Traineeships**
  - Co-share manpower costs for offering traineeships this year across large and small enterprises (more details to be announced)
  - Aim at science and technology traineeships in R&D labs, deep-tech startups, accelerators, and incubators
Measures supporting self-employed persons (SEP)

- **SEP Income Relief Scheme**
  - Government co-funds 25% on monthly wage of local employee, capped at SGD 4,600

- **SEP Training Support Scheme**
  - Scheme extended to December 2020
  - Hourly training allowance increased to SGD 10 from May 1, 2020

- **Workfare special payment**
  - Cash payout increased to SGD 3,000 per eligible recipient

- **Deferment of personal income tax payments**
  - Automatic three-month deferment of income tax payments
  - Tax due in months May to July 2020, is now payable in months August to October 2020

**Link(s) and resources**

There have not been any significant tax policy changes or administrative measures adopted in response COVID-19 yet. However, plans are developing for measures to mitigate the impact of COVID-19 and the island-wide lockdown on the statutory and other obligations taxpayers.

**Personal tax**
- There are have not been any policy changes proposed or implemented in relation to personal tax.

**GST, VAT and trade**
- No policy changes have been made in relation to VAT, but deferral of the deadlines for filing of VAT Returns and payment of VAT has been implemented administratively.
- Payment of VAT including VAT on financial services for the month of February (which was due on March 20, 2020) and payment for the month of March (which is due on April 20, 2020 have both been deferred until April 30, 2020.
- In addition, the deadline for filing a VAT Return for the month of February which was due on March 31, 2020 has been deferred until April 30, 2020.

**Business tax measures**
- There have not been any specific policy changes or any tax relief for business tax proposed or implemented.
- However, the government is contemplating providing reliefs concessions to businesses, especially to small and medium enterprises post COVID-19 and such proposals may include tax benefits.

**Link(s) and resources**
- [https://www.cbsl.gov.lk/](https://www.cbsl.gov.lk/)
South Korea

On Feb. 27, 2020, the Korean National Tax Service announced that it will allow a one-month filing extension for corporate income tax returns for taxpayers located in a specific area (such as Daegu), due to the COVID-19. The normal filing due date is three months after the end of fiscal year.

On March 17, 2020, the Ministry of Finance announced a corporate income tax exemption for small to medium enterprises located in specific areas (city of Daegu and Cheongdo County), except for enterprises engaging in real estate rental, professional services, financial & Insurance businesses, etc.

Effective March 23, 2020, a corporate income tax (CIT) reduction for certain small and medium size business located in designated COVID-19 disaster zones (city of Daegu) have been permitted.

Business tax measures
• The deadline for the submission of corporate tax returns for 2019 is extended for one month to May 4, 2020, for the fiscal year ended Dec. 31, 2020.
• A one-off corporate income tax exemption (limited to KRW 200 million) for small and medium enterprises located in specific areas. A small enterprise is permitted to exempt up to 60% of its income tax liability and a medium enterprise is permitted to exempt up to 30% of its income tax liability.
• One-off increase of the limitation tax deductibility of meals and entertainment expenditures.

Personal tax measures
• Increased personal income tax (PIT) deductions available to individuals’ spending between March 1, 2020 – June 30, 2020 on credit card spending (15% > 30%), cash receipts/debit card spending (30% > 60%),) and traditional market/public transportation spending (40% > 80%).
**South Korea (continued)**

**VAT / other tax measures**

- Extension of payment due date of customs duties up to 12 months for companies in designated COVID-19 disaster zones (city of Daegu).
- Simplified VAT taxpayers (those with revenue less than KRW 48 million per year) will be exempt from VAT liability until the end of calendar year 2020.
- VAT return due date may be extended by one month for those in the special disaster zone and three months for those directly affected by COVID-19. Further, application for extension up to three months can be made for those affected by COVID-19.
- The first quarter VAT payment due April 24, 2020 will be deferred to July 27, 2020 for SMEs and sole proprietors and those in the special disaster zone.
- 70% reduction of special consumption tax on automobile purchased between March 1, 2020 and June 30, 2020.
- Temporary VAT reduction for small size sole proprietor.
- Extension of first quarter VAT filing and payment for up to three months.

**Link(s) and resources**

- [https://www.nts.go.kr/eng/](https://www.nts.go.kr/eng/)
- [http://english.moef.go.kr/](http://english.moef.go.kr/)
Taiwan

On Feb. 25, 2020, Taiwan's Legislative Yuan passed the statute for prevention and rehabilitation of severe infectious pneumonia (the Statute). The Statute, which was subsequently signed by the President and enacted accordingly, is in response to the recent COVID-19 outbreak and aims to alleviate its impact on the domestic economy and society. The budget connected with the statute is NTD 60 billion (approximately USD 2 billion). The Statute came into effect retrospectively from Jan. 15, 2020, and applies until June 30, 2021 (subject to any extension granted by the Legislative Yuan).

Personal tax measures

- Individual tax filing and payment deadline on June 1, 2020 is extended to June 30, 2020, if the original filing due date cannot be fulfilled due to the impact of COVID-19.
- Individuals who have difficulty in settling tax payments due to the impact of COVID-19 may file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act.

Tax deferral measures

- Taxpayers who are impact on COVID-19 including individual, business and tax withholder will be allowed to extend payment of those levied taxes for the three-month period from March to May. The taxes include VAT, commodity tax, tobacco and alcohol tax, the specifically selected goods and services tax, withholding tax, license tax, income tax and house tax.
- VAT filing and payment deadlines March 15, April 15, and May 15, 2020 may be extended to March 31, April 30, and June 1, 2020, respectively if the original filing and payment due date cannot be fulfilled due to the impact of COVID-19.
- An enterprise who has difficulty in settling tax payments due to the impact of COVID-19 may file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act.
Business tax measures

- An enterprise may claim a 200% tax deduction for expenses incurred in the tax year on salaries and wages paid to employees who take leave for the one of more in-scope reasons related to COVID-19 infection.
- Corporate income tax filing and payment deadline June 1, 2020, could be extended to June 30, 2020. Companies that use another fiscal year end, rather than calendar year, may be allowed 30 days filing and tax payment extension, if their fiscal year end is prior to June 1, 2020.
- An enterprise who has difficulty in settling tax payments due to impact of COVID-19 can file an application for an extension or installment payment of tax liability in accordance with Article 26 of Tax Collection Act.
- The tax authorities shall reduce the tax rate of a small business after assessment and determining eligibility.
- Government subsidies, grants, allowances, rewards and compensations received by the COVID-19 affected enterprises under the Statute are exempt from corporate income tax.

Industry specific tax measures

- Hotels that are impacted by COVID-19 and shutdown or reduce capacity can apply to reduce the house tax from 3% to 2%.
- Entertainment business whose revenues and operating days are both reduced can apply to reduce the accessed VAT in proportion to the unused operating days or unused entertainment facilities.
Taiwan (continued)

Funding related measures

Government financed loans:

• Loans used for personal residence: the loans which are less than NTD 10 million can cur interest rate by 0.5%, the applicable period is from April 1, 2020, to Sept. 30, 2020. The interest rate for the rest amount which over NTD 10 million shall be reduced by 0.25%.

• Consumer loans: credit card, consumer credit, car loans and other loans which not self-residential loan, the interest rate will be reduced by 0.75% for the loans less than NTD 10 million for applicable period from April 1, 2020 to Sept. 30, 2020. The interest rate for the rest amount of the loans which over NTD 10 million will be reduced by 0.25%.

• Rate adjustments will be automatic.

Other funding options:

• The loan for operating fund is available to assist with cashflow for businesses impacted by COVID-19. The loan rate is capped at 2.95%. The applicable period up to a maximum one year (subsidies for interest: cap for NTD55,000 /each entity).

• The fund for revitalization is available to assist COVID-19 impacted businesses. The rate is cap for 1.95% and the applicable period can be maximum one year.

Link(s) and resources

The Thailand government has announced a new stimulus package that includes tax filing extensions to help companies endure the economic difficulties amid the new coronavirus outbreak. On March 24, 2020, the Cabinet approved a package of relief measures related to the COVID-19 pandemic, which includes the following measures:

**Corporate income tax (CIT) measures**
- The CIT filing deadline has been extended three months from May 29, 2020 to Aug. 31, 2020, for PND.50 (for the year ended Dec. 31, 2019).
- The CIT filing deadline has been extended 1 month from Aug. 31, 2020 to Sept. 30, 2020, for PND.51 (for the year ended Dec. 31, 2020).

**Note:** That companies that do not have an accounting period according to the calendar year (Dec. 31) will be required to submit the tax return by the deadline as usual.

- Able to deduct of 1.5 times the actual interest expenses allowed for SMEs with soft loans. SMEs, who have single books of account and participate in the soft loan scheme of the government, can deduct 1.5 times interest expenses paid from April 1, 2020 to Dec. 31, 2020.
- A deduction of 3 times the wages expense for SMEs. SMEs can deduct three times the actual wages payment for the months of April 2020 to July 2020, which are made under the prescribed conditions.

**Withholding tax (WHT) measures**
- The WHT rate for service fees, hire of work, commissions, and professional fees has been reduced from 3.0% to 1.5% for the period from April 2020 to September 2020. the WHT rate will further be reduced from 2.0% to 1.5% for the period from October 2020 to December 2020 (only filing e-withholding tax system).
Thailand (continued)

**Personal income tax (PIT) measures**

- The PIT filing deadline has been extended two months from the last extension – initial deadline was March 31, 2020 to Aug. 31, 2020 (original extension deadline was June 30, 2020).
- Tax allowances for donations of money for the purpose of calculating PIT, when combined with other donation expenses, may not exceed 10% of net income. Donations must be made via the e-Donation system between March 5, 2020 and March 5, 2021.
- Increase the allowable deduction of health insurance premium for personal income tax purpose, from THB 15,000 to THB 25,000, applicable from the tax year 2020 onwards. However, the deduction for this premium together with the life insurance premiums and bank deposit deposits with life insurance riders paid cannot exceed THB 100,000 in total.

**Value-Added Tax (VAT) and trade measures**

VAT has been exempted for donations made in assets.

- VAT refunds for domestic business operators have been expedited. The VAT refund procedure for exporters has been expedited to return within 15 days for e-filing and 45 days for paper filing.
- Extend monthly indirect tax (VAT, specific business tax) filing and payment from March 1, 2020 to April 30, 2020 to May 23, 2020 (both paper filing and e-filing).
- Extend excise tax filing and payment by service providers for taxable months from March 1, 2020 to May 31, 2020, to July 15, 2020.
- Extend excise tax filing and payment by oil and petroleum product manufactures for taxable months from April 1, 2020 to June 30, 2020, to 15th of the following month.
Other measures

- The measures also include a cash handout of 5,000 baht (USD 152) per month for the next three months for 3 million people.
- Healthcare personnel will get personal tax exemptions as risk compensation for helping to control, treat, and prevent the virus.
- The Social Security Office (SSO) announced that the Social Security Fund (SFF) contribution rate for employers will be reduced from 5% to 4% and for employees from 5% to 1% for March 2020 through May 2020.
  - The deadline for filing of SSF returns (SPS.1-10) has been extended three months
    - For March 2020, the deadline has been extended from April 15, 2020 to July 15, 2020
    - For April 2020, the deadline has been extended from May 15, 2020 to Aug. 15, 2020
    - For May 2020, the deadline has been extended from June 15, 2020 to Sept. 15, 2020

Link(s) and resources
Vietnam

As a result of the COVID-19 pandemic, Prime Minister Nguyen Xuan Phuc signed Directive No. 11/CT-TTg (the Directive) on March 4, 2020, directing further tax and economic actions to fight against COVID-19. The Directive provides actions to help businesses come over difficulties during this period and further actions to fight against COVID-19.

**Personal tax**

- Extension of the deadline to pay PIT for individuals and business household.

- For individuals and business household: The deadline for payments of VAT will be extended to Dec. 15, 2020, applicable to individuals and business households which engage in the business activities fall into the scope of application of this draft Decree.

**VAT, GST and trade**

- The deadline for VAT payments for March, April, May and June 2020 (for companies declaring VAT on a monthly basis) or Q1 and Q2 2020 (for companies declaring VAT on a quarterly basis) will be extended to five months from the statutory deadline.

- For individuals and business household: The deadline for payments of VAT will be extended to Dec. 15, 2020, applicable to individuals and business households which engage in the business activities fall into the scope of application of this draft Decree.
Vietnam (continued)

**Business tax**

- An extension of five months from the payment deadline with respect to the CIT payable arising from the 2019 CIT finalization; the provisional CIT payments in Q1 and Q2 of 2020.

**Directive No. 11/CT-TTg**

- Issuing several incentives for businesses affected such as: interest rates and bank service fees adjustment, reducing loan-processing time, enhancing accessibility to bank loans and simplifying administrative procedures.
- Five months extension for the deadline of tax payments including value-added tax (VAT), personal income tax, and land rental fee without the imposition of interest and penalties. On the other hand, the family circumstance-based deductions has been proposed to National Assembly for the amended PIT Law.
- Establishing corporate income tax support policies, along with fund support policies, especially for SMEs.
- Suspending Compulsory Insurance Trade Union fee deadline up to June or December 2020 without charging late interest payment for businesses facing significant effect.
- Streamlining administrative procedures and lowering logistics costs for many sectors including maritime, aviation, road, inland waterways, railway usage.
- Reducing local charges/fees, also stabilizing of prices of goods that are inputs for manufacturing where the prices are managed by the government in the first half-year of 2020.
- Implementing customs processes simplification such as custom clearance, supporting in tax refund and rescheduling tax payment deadline.
Directive No. 11/CT-TTg (continued)

• Issuing instructions to seek sources of imported raw materials to serve industrial production and markets for exported products, supporting domestic market and retail trading activities and exploiting opportunities under FTA.
• Suspending the issuance of work permits to foreigners from the COVID-19 hit areas.
• Providing supportive solutions for employees who are unexpected layoffs as a result of the COVID-19 and for employers who find alternative labor resource due to lacking employees or foreign experts.

Link(s) and resources

APPENDICES
## Additional measures offered by the State of New South Wales

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief offered</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For businesses with payrolls &lt; AUD 10 million a payroll tax waiver for 3 months until end of FY19/20, with a 25% reduction in annual payroll tax liability upon lodgement of the annual reconciliation and a further payroll tax deferral for additional 3 months.</td>
<td></td>
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<tr>
<td></td>
<td>Payroll threshold limit increased to AUD 1 million in FY20/21 to bring forward payroll tax cuts.</td>
<td></td>
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<tr>
<td></td>
<td>AUD 80 million grant to waive fees and charges for small businesses including bars, cafes, restaurants and trades.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AUD 250 million to employ additional cleaners for public infrastructure; AUD 250 million for maintenance on public assets and AUD 500 million to bring forward capital work and maintenance.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AUD 700 million health package for NSW Health. Increasing ICU capacity, purchasing additional PPE/medical equipment, establishing respiratory clinics and increasing COVID-19 testing.</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix: Australia (continued)

### Additional measures offered by the Northern Territory

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief Offered</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Territory</td>
<td>Businesses who employ a Territorian over the next 12 months will not be liable for payroll taxes on those wages for the next two years.</td>
<td><a href="https://business.nt.gov.au/recovery">https://business.nt.gov.au/recovery</a></td>
</tr>
<tr>
<td></td>
<td>AUD 20 million for business upgrades. Businesses may be entitled to an initial AUD 10,000 grant for upgrades, plus a further AUD 10,000 in matched contribution. Upgrades must be purchased from an eligible territory business.</td>
<td><a href="https://business.nt.gov.au/recovery/business-improvement-grant">https://business.nt.gov.au/recovery/business-improvement-grant</a></td>
</tr>
<tr>
<td></td>
<td>AUD 30 million for renovations to residential and investment properties. Under the scheme owners can receive AUD 6,000 when they contribute AUD 2,000 for renovations.</td>
<td><a href="https://business.nt.gov.au/recovery/home-improvement-scheme">https://business.nt.gov.au/recovery/home-improvement-scheme</a></td>
</tr>
<tr>
<td></td>
<td>AUD 5 million in grants for not-for-profit and community engagements to engage local businesses for repairs, renovation and upgrades to their facilities. First AUD 50,000 will be paid as a grant and a further amount, up to AUD 50,000, in matched contributions.</td>
<td><a href="https://business.nt.gov.au/recovery/immediate-work-grant">https://business.nt.gov.au/recovery/immediate-work-grant</a></td>
</tr>
<tr>
<td></td>
<td>Any regular increases on government fees and charges, including electricity costs, will be put on hold.</td>
<td></td>
</tr>
</tbody>
</table>
### Additional Measures Offered by the State of Queensland

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief Offered</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Negatively impacted businesses with payroll &gt;A$6.5m (may need to apply online) can obtain refund for two months and deferral for the 2020 calendar year (until Jan. 14, 2021).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Waiving of; application fees for liquor licenses, renewal fees for inbound tour operators, daily fees for commercial activity agreements and permits — and rebate on marina charge and deferral of tourism lease rent payments.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Funding for new equipment purchases up to AUD 7,500 (applicant must contribute 25%) or projects up to AUD 50,000 (applicant must contribute 50%).</td>
<td><a href="https://www.business.gov.au/Grants-and-Programs/Market-Diversification-and-Resilience-Grants-QLD">https://www.business.gov.au/Grants-and-Programs/Market-Diversification-and-Resilience-Grants-QLD</a></td>
</tr>
</tbody>
</table>
### Additional measures offered by the State of Tasmania

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief Offered</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All businesses with annual payroll &lt; AUD 5 million can apply to have their payroll tax waived until May 2020.</td>
<td></td>
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<tr>
<td></td>
<td>Subject to contractual arrangements – normal terms of trade for payments by government agencies is reduced from 30 to 14 days.</td>
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<tr>
<td></td>
<td>From April 2020 there will be a one-year payroll tax rebate for businesses employing persons 24 and under.</td>
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<tr>
<td></td>
<td>AUD 20 million in interest-free loans for hospitality, tourism, seafood and export sector for businesses with less than AUD 5 million turnover.</td>
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<tr>
<td></td>
<td>Casual workers and low-income individuals forced to self-isolate are entitled to one-off relief payments. AUD 250 for individuals and AUD 1,000 for families.</td>
<td></td>
</tr>
</tbody>
</table>
**Appendix: Australia (continued)**

### Additional measures offered by the State of Western Australia

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief Offered</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AUD 1 million payroll tax threshold brought forward by six months to July 1, 2020.</td>
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<tr>
<td></td>
<td>AUD 402 million package freezing utility charges, motor vehicle charges emergency services levy and public transport fare increases.</td>
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<tr>
<td></td>
<td>Energy assistance payments will be doubled to AUD 600 per concession holder.</td>
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<tr>
<td></td>
<td>20 days paid COVID-19 leave for state public sector workers, including casual workers.</td>
<td></td>
</tr>
</tbody>
</table>
## Additional measures offered by the State of South Australia

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>Relief Offered</th>
<th>Reference</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>AUD 350 million package for roads, housing, tourism and health.</td>
<td></td>
</tr>
</tbody>
</table>
### Additional measures offered by the State of Victoria

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>AUD 100 million health package to public and private hospitals – AUD 60 million for elective surgeries, AUD 30 million for Casey Hospital inpatient tower and AUD 10 million for personal protective equipment supplies.</td>
<td></td>
</tr>
</tbody>
</table>
## Social Insurance Relief by Province due to COVID-19

<table>
<thead>
<tr>
<th>Province</th>
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<th>Reference</th>
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</table>
| Hunan    | Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises.  
Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises. | http://www.hunan.gov.cn/hnszf/hnyw/sy/hnyw1/202002/t20200225_11189787.html |
| Nanjing  | Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises.  
Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises.  
| Zhangzhou| Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises.  
Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises. | http://fujian.chinatax.gov.cn/sszczl/zcjd02/202003/t20200313_352907.htm |
| Tianjin  | Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises.  
Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer’s portion from February to April 2020 for large enterprises. | http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145814/content.html |
## Social Insurance Relief by Province due to COVID-19

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<tbody>
<tr>
<td>Beijing</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 large enterprises.</td>
<td><a href="http://www.gov.cn/xinwen/2020-03/09/content_5488932.htm">http://www.gov.cn/xinwen/2020-03/09/content_5488932.htm</a></td>
</tr>
<tr>
<td>Dalian</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 large enterprises.</td>
<td><a href="https://12366.chinatax.gov.cn/fwz/detai1?bh=d54eef8ca65e402a92ba5bd24384a59c">https://12366.chinatax.gov.cn/fwz/detai1?bh=d54eef8ca65e402a92ba5bd24384a59c</a></td>
</tr>
<tr>
<td>Shanghai</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises.</td>
<td><a href="http://shanghai.chinatax.gov.cn/zcfw/zcgk/ykgf/202003/t452923.html">http://shanghai.chinatax.gov.cn/zcfw/zcgk/ykgf/202003/t452923.html</a></td>
</tr>
<tr>
<td>Qingdo</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises. Reduction of the rate of medical insurance of employer's portion from 9.5% to 8.5% from February to June 2020.</td>
<td><a href="http://qingdao.chinatax.gov.cn/ssxc2019/sszt/jdxjmsbf/202003/P02020030953972962845.docx">http://qingdao.chinatax.gov.cn/ssxc2019/sszt/jdxjmsbf/202003/P02020030953972962845.docx</a></td>
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<td>Zhangjiagang</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises.</td>
<td><a href="http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145444/content.html">http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145444/content.html</a></td>
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<tr>
<td>Guangdong</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises. Reduction of the rate of medical insurance of employer's portion to 3.5% from February to June 2020.</td>
<td><a href="http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145405/content.html">http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145405/content.html</a></td>
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<td>Guizhou</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises.</td>
<td><a href="http://rst.guizhou.gov.cn/zxfw/bmfw/zcjd_55994/202003/t20200316_55277996.html">http://rst.guizhou.gov.cn/zxfw/bmfw/zcjd_55994/202003/t20200316_55277996.html</a></td>
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<tr>
<td>Guangzi</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer's portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer's portion from February to April 2020 for large enterprises.</td>
<td><a href="http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145812/content.html">http://www.chinatax.gov.cn/chinatax/n810219/n810744/c101584/c101587/c101591/c101603/c5145812/content.html</a></td>
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<tr>
<td>Shenzhen</td>
<td>Exempt the pension, unemployment insurance and work injury insurance of employer’s portion from February to June 2020 for small and medium enterprises. Reduction of 50% of the pension, unemployment insurance and work injury insurance of employer’s portion from February to April 2020 for large enterprises.</td>
<td><a href="http://hrss.sz.gov.cn/szsi/sbjxxgk/tzgg/simtgg/202003/t20200306_19042683.htm">http://hrss.sz.gov.cn/szsi/sbjxxgk/tzgg/simtgg/202003/t20200306_19042683.htm</a></td>
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</table>
THE POWER OF BEING UNDERSTOOD