COVID-19
LATAM 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 LATAM jurisdictions have taken tax and economic measures to reduce the financial/tax burden on companies doing business in their jurisdiction. Overall, certain LATAM 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 LATAM 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.
Argentina has issued emergency measures to address the economic impact of the COVID-19 pandemic.

Suspension by the Federal Tax Authority between March 18, 2020, through March 31, 2020, of procedural time limits related to federal tax, social security, and customs obligations. This measure does not include the extension on regular deadlines previously established for tax return filings and payments.

Federal Tax Authority agencies will limit on-site attention to taxpayers until March 31, 2020, rescheduling the appointments already planned. Other government agencies (e.g., Inspection Board of Legal entities) are limiting/restricting on-site attention.

Suspension of time limits between March 20, 2020 and March 31, 2020, on all administrative procedures ruled by Law No. 19,549.

**Business tax measures**

- Exemption of social security taxes for certain companies engaged in activities particularly affected by the COVID-19 pandemic (e.g., tourism, entertainment industries, restaurants, hotels, and passenger transport activities). This exemption could potentially be extended to companies dealing with logistic or supply chain issues due to the pandemic.
- Reduction for 90 days of 95% of social security contributions for employers on health activities.
- Reduced 0.25% and 0.50% rates (instead of the general 0.60% and 1.20%) on tax on debits and credits in bank accounts for employers on health activities for 90 days.
- Reduction of up to 95% of Social Security contributions accrued in April 2020 for companies engaged in non-essential activities.
Business tax measures (continued)

- Reduction of up to 95% of social security contributions accrued in April and May 2020 for companies engaged in non-essential activities.

- Compensatory allowance equivalent to 50% of net salary of each employee as of February 2020 for April 2020, and as of March 2020 for May 2020, paid by the Argentine Government directly to employees of companies engaged in non-essential activities. (up to ARS 33,750 per employee -approx. USD $480).

- Zero-rate loan up to ARS 150,000 approx. USD 2,300 with no financial cost for self-employed workers and simplified regime small taxpayers.

- Extension of due date to May 26 and 27, 2020 (depending on the tax ID of the taxpayer) for filing and payment income tax returns of legal entities for tax years ending December 2019.

Personal tax measures

- Extension of due date to April 30, 2020, for employees to inform their employers on general and personal deductions for income tax applicable to tax year 2019 (Form 572).

- Extension of due date to May 29, 2020, for employers to prepare annual income tax on their employees for tax year 2019.
VAT / other tax measures

- Exemption of import duties for medical supplies and vaccines.
- Exemption on export drawbacks.

Link(s) and resources

- https://www.argentina.gob.ar/noticias/los-ministros-de-economia-y-de-desarrollo-productivo-anunciaron-un-paquete-de-medidas-para
Economic measures

• Effective March 17, 2020, and for the duration of the state of public emergency and 30 days thereafter, requirements to file documents (form, application, affidavit, report)/ pay fees/ renew licenses, visas, permits to government entities/ statutory bodies/ regulators have been suspended (applies to tax regimes below).

• Effective March 17, 2020, and for the duration of the state of public emergency and 14 days thereafter, requirements to file documents or declarations/ pay fees subject to the Companies Act have been suspended.

• Effective March 17, 2020, and for the duration of the state of public emergency and 14 days thereafter, requirements to file documents or declarations / pay fees subject to the International Business Company Act have been suspended.

• The government has designed a tax credit system which allows businesses to retain the funds which would have been earmarked for business license fees, and VAT receipts collected (up to $200,000 per month for up to three months. Additionally, half of this amount would be translated to a temporary tax credit (up to $100,000 per month), usable for payroll expenses only, repayment of which will begin in January 2021 for 12 months. Excluded industries: retail or wholesale grocery; hotel and resorts; regulated financial and insurance entities; regulated telecommunications businesses; and, gaming businesses.

• The Central Bank of The Bahamas will work with commercial banks for loan payments deferment plan. Tourism-specific relief (self-employed only) a temporary program that will provide weekly payments of $200 to persons who meet the eligibility criteria, for a period of up to eight weeks. An eligible person can receive up to $1,600 over the eight-week period.

• Small business loans: The Small Business Development Centre (SBDC) rolled out the government’s $20 million COVID-19 response, targeted to provide loans to small businesses, ranging from $5,000 to $300,000. These loans are earmarked for operating costs.
Economic measures (continued)

Social services to provide Bahamians with social benefits stemming from the impact of COVID-19 on the community. $4M budget for food and social assistance.

Effective March 17, 2020, and for the duration of the state of public emergency and 60 days thereafter, requirements to pay insurance premiums have been suspended (this includes health, medical, and life insurance policies).

Insurance claims made during this time shall still be honored, while allowing the insurer to only deduct from the claim payment, the amount owed in relation to the unpaid premium as well as deductible.

Personal tax measures

- No tax exemption/suspension granted for National Insurance Contributions (NIC). NIC forms and payments still due on 15th of each month.
- Employees placed on shortened work weeks will be paid 60% of their earnings for the days which they do not work.
- The personal tax filing deadline has been extended from April 30, 2020, to May 29, 2020.

VAT, GST and trade measures

- No tax exemption/suspension granted for VAT filings and payments. VAT Returns and payments will still be due by the 21st of each month.
- No tax exemption/suspension granted for payment of customs duties.
Business tax measures

- Effective March 17, 2020, and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application) and pay fees/renew licenses, for Business license are suspended.

- No tax exemption/suspension granted for real property tax payments.

- Tourism-specific relief (self-employed only) a temporary program that will provide weekly payments of $200 to persons who meet the eligibility criteria, for a period of up to eight weeks. An eligible person can receive up to $1,600 over the eight-week period.

- Emergency relief for self-employed; they will receive a benefit payment of $200 per week for the length of the quarantine period which at present will go at least until April 8, 2020.

- Small business loans: “the Small Business Development Centre (SBDC) rolled out the government’s $20 million COVID-19 response, targeted to provide loans to small businesses, ranging from $5,000 to $300,000. These loans are earmarked for operating costs.

- Social Services to provide Bahamians with social benefits stemming from the impact of COVID-19 on the community. $4M budget for food and social assistance.

- Effective March 17, 2020, and for the duration of the state of public emergency and 30 days thereafter, requirements to file documents (form, application, affidavit, report)/pay fees/renew licenses, visas, permits to government entities/statutory bodies/regulators have been suspended.

Link(s) and resources

- [Bahamas government COVID-19 information](#)
Barbados

Economic measures

• BBD 600 per month to be provided to approximately 1,500 vulnerable families and a 40% increase in all rates and fees already paid by the Welfare Department to individuals.

• Companies retaining at least ¾ of their workforce will receive a deferral of employers’ National Insurance Scheme contributions for three months.

• Commercial Banks will offer a three to six-month moratorium on existing loans and mortgages to individuals and businesses directly impacted by COVID-19 measures/effects.

• Commercial Banks will offer temporary working capital financing options for corporate and small business directly impacted by COVID-19.

• Pending private sector investments primarily in the tourism sector will be expedited by the Barbados government.

• Barbados government to increase capital expenditure projects beyond those approved in the annual estimates.

• Employees placed on shortened work weeks will be paid 60% of their earnings for the days on which they do not work. This will be facilitated through the National Insurance Scheme.

• Barbados government will refinance the Small Hotel Investment Fund with BBD 20 million to allow small hotels to borrow in order to refurbish their properties. Interest rates will be reduced from 5.0% to 3.5%.

• Individuals in the creative industry will benefit from a BBD 1 million fund under a special program.

• Government has “strongly encouraged” landlords to temporarily half evictions. This measure will be codified if necessary.
Business tax measures

- Effective March 17, 2020, and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application) and pay fees/renew licenses for Business license are suspended.

- Emergency relief for self-employed; they will receive a benefit payment of $200 per week for the length of the quarantine period which at present will go at least until April 30, 2020.

- Small business loans: The Small Business Development Centre (SBDC) rolled out the government’s $20 million COVID-19 response, targeted to provide loans to small businesses, ranging from $5,000 to $300,000. These loans are earmarked for operating costs.

- Social Services to provide Bahamians with social benefits stemming from the impact of COVID-19 on the community. $4M budget for food and social assistance.

- Effective March 17, 2020, and for the duration of the state of public emergency and thirty (30) days thereafter, requirements to file documents (form, application, affidavit, report) / pay fees / renew licenses, visas, permits to government entities / statutory bodies / regulators have been suspended.

Personal tax measures:

- The personal tax filing deadline has been extended from April 30, 2020, to May 29, 2020.

Link(s) and resources

The government is planning on introducing several economic stimulus packages to benefit residents impacted by the COVID-19 pandemic. Details to be released later.

Banks are implementing measures to provide financial relief to clients, including automatic payment deferrals on residential mortgages and personal loans in good standing.

Emergency supplementary funding, recently approved by Cabinet, will provide temporary food assistance to Bermudian residents due to the impact of COVID-19.

Bermuda Economic Development Corporation has released their economic relief packages available to small and mid-sized companies. Grants and loans are available, depending on the recipient’s size, of up to $40,000.

Bermuda has extended the deadline to file and pay statutory fees (government annual fees) from March 31, 2020, to June 30, 2020.

**Personal tax measures**

- All filings and registrations may still be conducted electronically through the Bermuda Registrar of Companies. However, processing times may be delayed.

**Business tax measures**

- The Bermuda Minister of Finance has extended the deadlines for Bermuda CRS Reporting Financial Institutions for the period ended Dec. 31, 2019 to July 15, 2020.

- The Bermuda Minister of Finance has extended the deadlines for Bermuda country-by-country reporting entities for periods ending between March 26, 2019 through May 31, 2019, are to be submitted no later than May 31, 2020. The submission deadlines for reporting periods ending after May 31, 2019 have not been changed.
Business tax measures (continued)

• Where meetings or other similar compliance measures are not possible due to necessary travel or quarantine restrictions, this may be considered.

• As with all information evidencing compliance, entities should keep careful records of all such circumstances, and should continue in good faith to ensure their ongoing compliance with the economic substance requirements as set out in the legislation and Guidance Notes.

Link(s) and resources

• http://coronavirus.bernews.com/covid-19-finances/
• https://www.gov.bm/common-reporting-standard-country-country-reporting
Through Supreme Decree(s) No. 4196 and No. 4198, the Bolivian government has granted certain relief benefits to taxpayers.

**Business tax measures**
- Suspension of tax return filing deadlines and applicable fines.
- Taxpayers can pay fiscal year 2019 CIT in three monthly payments. However, 50% of the total CIT must be paid by June 2020.
- Donations to hospitals will be considered as deductibles for fiscal year 2020 CIT determination, up to 10% of fiscal year 2019 CIT.

**VAT / other tax measures**
- Suspension of tax return filing deadlines and applicable fines (until the end of quarantine).
- Decrease of Transaction Tax (TT, 3%) base for the next three months (consisting of April, May, and June 2020), by taking out the VAT included in the final price of transaction (less 13%).

**Link(s) and resources**
- [http://www.gacetaoficialdebolivia.gob.bo/normas/listadonor/11](http://www.gacetaoficialdebolivia.gob.bo/normas/listadonor/11)
On March 16, 2020, the Brazilian Minister of Economy presented proposals designed to counter the economic slowdown deriving from the COVID-19 pandemic. These proposals will need to be analyzed and debated by the Brazilian Congress. The tax-related items are mainly focused on making medical related items cheaper, as well as to help small businesses.

On March 23, 2020, the Brazilian government released simplifications on the employment contracts, including teleworking/home office, anticipation of individual vacation, collective vacation, anticipation suspension of determined occupational exams and trainings, suspension of inspection processes, and other labor changes. Based on the current COVID-19 situation, companies are able to reduce salaries and work shift in up to 25%.

The Central Bank reduced the SELIC rate (basic interest rate of the Brazilian economy) by 0.50% to 3.75% (original rate was 4.25%). Postponement of loan payments made through Caixa Economica (Federal Bank) for at least two months and the reduction on interest rates of loans. The bank has also released funds to loans for public hospitals (amounting to BRL 3 billion).

Postponement in the payment of federal taxes for three months based on the public calamity state. (Ordinance 12/2012)

**Proposed economic measures**

Other proposals allow for better access to financing, or to have anticipated cash payments to certain individuals, including the following:

- BNDES emergency credit line for small and medium-sized companies (annual revenues between R$ 360k – 10 million), exclusively for the payment of payroll. 360k – 10 million), exclusively for the payment of payroll.
- Proger/FAT credit for micro and small businesses.
- Simplification of requirements for contracting credit and exemption of documentation for credit negotiation.
- Anticipation of the first installment payment of the 13 salary for retirees and pensioners for April 2, 2020, and the second installment payment for May 2020.
- Release of BRL 15 billion in benefits of up to BRL 600 for informal and self-employed workers for the next three months.
Brazil (continued)

Business tax measures

• Simples tax system: Postponement of tax collection. Postponement for six months of the deadline for the payment of debts with mature dates originally established as April, May, and June 2020.

• The Fundo de Garantia do Tempo e Serviço (FGTS):
  − Suspension of the due date for tax collection of FGTS related to March, April, and May 2020.
  − Payment of FGTS of these months in installments (with no imposition of interest and/or penalties), in up to six installments, with due date on the seventh of each month, as from July of 2020.

• CARF Ordinance 8,112/20: Deadlines suspended until April 30, 2020, for the practice of procedural acts in administrative proceedings within the scope of the Administrative Council for Tax Appeals (CARF).

• Postponement of deadlines related to collection assessments in 90 days and facilitation to join debts program known as REGULARIZE.

Personal tax measures

• The deadline to submit the Individual Income Tax Return has been extended for 60 days, from April 30, 2020, to June 30, 2020. Currently the period for submitting the IR is from March 2, 2020, to April 30, 2020.

• New deadline to submit Declaration of Brazilian Capital Abroad (DCBE):
  − June 1, 2020 for the annual declaration
  − Between July 15, 2020 and July 31, 2020, for first quarter of 2020 payment
VAT / other tax measures

- Import duty due on import of products deemed necessary to counter COVID-19 until September 2020 has been reduced to 0%. Products are listed on Annex I of CAMEX Resolution #17/20.

- Simplification and acceleration of customs clearance process for products related to counter the affects of COVID-19 (fixed assets and raw materials).

- Excise tax for local and imported products (listed in Decree #10.285/20) necessary to counter COVID-19 until the end of September 2020 have been reduced to 0%.

- SECEX Ordinance No. 18/2020: Establishes the suspension of import license of products subject to anti-dumping measures, including plastic tubes for blood test and disposable syringes. Resolution 23/2020 suspended the anti-dumping, until Sept. 30, 2020, on these products.

- SECEX Ordinance No. 16/2020 and SUEXT Export Notice nº08/2020: Establishes the special export license for products deemed necessary to counter COVID-19.
  - The Brazilian IRS, announced the postponement of the contributions of PIS/COFINS and INSS (the employer’s contribution to Social Security). The contributions due on April – May were postponed to August – September.

- Ordinance 139: Postponement of the contributions of PIS/COFINS and INSS (the employer’s contribution to social security). The contributions due on April – May, were postponed to August – September.

Link(s) and resources

- [http://www.in.gov.br/en/web/dou/-/resolucao-n-17-de-17-de-marco-de-2020-248564246](http://www.in.gov.br/en/web/dou/-/resolucao-n-17-de-17-de-marco-de-2020-248564246)
- [http://www.in.gov.br/en/web/dou/-/resolucao-n-22-de-25-de-marco-de-2020-249807290](http://www.in.gov.br/en/web/dou/-/resolucao-n-22-de-25-de-marco-de-2020-249807290)
Economic measures

- Banks are implementing measures to provide financial relief to their clients, including automatic payment deferrals on residential mortgages and personal loans in good standing.

- The Cayman Islands Centre for Business Development provide support to small businesses across the Islands. The services being offered to the public will begin with a focus on business continuity training and coaching. Small and medium-sized enterprises with an urgent need for assistance with cash flow management, business impact analysis or those that need to redesign or re-think their business models are urged to contact the Centre.

Business tax measures

The Government has deferred the obligation to pay annual fees until June 30, 2020, for registered corporate entities. The fees deferral applies to all companies, including LLCs foundations companies.

Exempted liability partnerships (ELPs) will also have their annual fees and annual return filings deadline extended until June 30, 2020.

A one-month extension has been granted for beneficial ownership filings, beginning March 23, 2020, and ending April 20, 2020.

A 30 day extension with respect to filings relating to changes in directors and officers, changes in registered offices and filing of amended memorandum and articles (including changes in share capital), occurring on or after March 1, 2020.

Link(s) and resources

- [https://www.cima.ky/upimages/commonfiles/ListofFilingExtensions_1585070451.pdf](https://www.cima.ky/upimages/commonfiles/ListofFilingExtensions_1585070451.pdf)
- [https://www.exploregov.ky/coronavirus](https://www.exploregov.ky/coronavirus)
On March 10, 2020, the Treasury put in place an incentive economic package primarily focused on the supply of funds directed to small and medium sized businesses. The economic package amounts to USD 11.75 billion, which is the equivalent to approximately 4.7% of the country’s GDP.

**Business tax measures**

- **Measures applied to all companies:**
  - Monthly advance payments are suspended for the next three months
  - Exemption of Stamp Tax for the next six months
  - Deductibility of all expenses incurred by Chilean companies that are COVID-19 related

- **Measures applied to small / medium sized companies:**
  - Deferral of VAT payments for the next three months
  - Deferral of real estate tax returns (to be paid in April 2020)
  - Deferral of income tax return until July 2020
  - Relief measures for outstanding tax debts, with the objective of improving payment arrangements

**Personal tax measures**

- Real estate taxes originally due in April may be deferred until Dec. 31, 2020. This measure is applicable to individuals that own real estate properties valued less than USD 170,000.
VAT / other tax measures

- The Chilean IRS launched new online tools enabling the acquisition of tax ID’s and improving the management of monthly tax payments.
- Local banks have announced a waiver on the prospective deadlines for loans and interests granted (benefit applies to March of 2020).
- Deferral of VAT payments for the next three months (benefit is available for companies with small sales volumes).
- Deferred of VAT can be paid in 12 interest free installments.
- Chilean customs has issued a Circular thereby waiving penalties for the amendment of documents needed within the context of the COVID-19 pandemic.
- Real estate taxes due in April may be deferred until Dec. 31, 2020. Applicable to small/medium size companies and individuals that own real state valued lower than USD $170k.

Link(s) and resources

- [http://www.sii.cl/servicios_online/index.html](http://www.sii.cl/servicios_online/index.html)
Due to the emergency caused by the COVID-19 pandemic, the Colombian government has issued some tax measures to ease the economic burden on taxpayers. The Colombian government may take additional measures in light of the 30-day state of emergency that was recently declared. The Colombian government has instituted a country-wide quarantine beginning on March 25, 2020, to April 13, 2020.

**Business tax measures**

- One-week delay on the filing of income tax returns and payments as follows:
  - **For large taxpayers**: Income tax filing and second installment payment was extended to between April 21, 2020 – May 5, 2020 depending on the last digit of the tax ID. Original due dates were between April 14, 2020 – April 27, 2020.
  - **For financial institutions qualified as large taxpayers**: Income surtax first installment payment was extended to between April 21, 2020 – May 5, 2020, depending on the last digit of the tax ID. Original due dates were between April 14, 2020 – April 27, 2020.
  - **For standard taxpayers**: Income tax filing and first installment payment was extended to between April 21, 2020 – May 19, 2020, depending of the last two digits of the taxpayer’s ID. Original due dates were between April 14, 2020 – May 10, 2020.

- For companies engaged in hoteling services, passenger air travel services, theatrical activities, and life show business activities, the due dates for income tax payments were extended as follows:
  - **For large taxpayers**: Second installment payment was extended to July 31, 2020 (original payment third installment payment was extended until Aug. 31, 2020 (original payment due dates were between June 9, 2020 – June 24, 2020, depending on the last digit of the taxpayer’s tax ID).
Business tax measures (continued)

- For standard taxpayers: First installment payment, was extended to July 31, 2020 (original payment due dates were between April 9, 2020 – May 12, 2020, depending on the last two digits of the taxpayer’s tax ID). Second installment payment was extended to Aug. 31, 2020 (original payment due dates were between June 9, 2020 – June 24, 2020, depending on the last digit of the taxpayer’s tax ID).

- Due dates pertaining to the filing of magnetic media reports were deferred:
  - For large taxpayers: Submission of the magnetic media report was extended to between May 15, 2020 – May 29, 2020, depending upon the last digit of the taxpayer’s tax ID. Original due dates were between April 28, 2020 – May 12, 2020.
  - For standard taxpayers: Submission of the magnetic media report was extended to between June 1, 2020 – July 1, 2020 depending on the last two digits of the taxpayer’s tax ID. Original due dates were between May 13, 2020 – June 10, 2020.

- The government issued some regulations to allow personnel of companies located in Free Trade Zones (FTZ) to work outside the FTZ area by using any telecommunication equipment or technology that allows remote connection of the personnel (under normal circumstances, companies located in FTZs must undertake all of their activities within the physical location of the FTZ to access the tax and customs benefits granted under the Colombian FTZ regime).

Personal tax measures

- On March 25, 2020, the Colombian Tax Authorities issued a resolution in which postponed the due dates for the submission of magnetic media reports for fiscal year 2019 from June 1, 2020 to July 1, 2020 depending on the last two digits of the taxpayer's identification number (before the changes were introduced, the due dates were from May 13, 2020 to June 10, 2020 depending on the last two digits of the taxpayer’s identification number).
Personal tax measures (continued)

- On April 15, 2020, the Colombian government issued Legislative Decree 568, introducing a new “solidarity tax” that, applicable from May 1, 2020, to July 31, 2020. The solidarity tax is applicable to public officers and individuals contracted by the Colombian government (at the Central and local level) and public entities as well as retired employees with a monthly salary, remuneration or pension that is higher than COP 10 million (approx. USD $2,500), at a progressive rate from 15% to 20%. The Solidarity tax will be collected via withholding tax.

VAT / other tax measures

- Customs duties reduced to 0% for imports of certain medicines, medical equipment and devices (e.g., oxygen, soap, antibacterial gel, special masks, surgical gloves, etc.) and certain goods used in the air travel industry. The 0% customs duties will apply for six months.

- VAT rate was reduced to 0% for certain medical equipment (e.g., nebulizers, vital sign monitors, sphygmomanometers, defibrillators, portable x-ray machines, hospital beds, and other related equipment). The 0% VAT rate will apply during the 30-day national state of emergency. The 0% VAT rate will apply to the medical equipment if certain requirements are met. The national state of emergency may be extended.

- In the case of companies engaged in hoteling services, passenger air travel services, theatrical activities, and life show business activities, VAT payments originally due for the March – April period of 2020 (or for the January – April period of 2020, if they file the VAT return every four months) was extended to June 30, 2020 (previously from May 12, 2020 – May 26, 2020, depending on the last digit of the taxpayer’s tax ID).

- For taxpayers engaged in the provision of alcoholic beverages in situ, cafeterias and restaurants, as well as travel agencies and tour operators, the deadline to pay the VAT and national excise tax for the March – April period of 2020 (or for the January – April period of 2020 if they pay the VAT every four months) was extended to June 30, 2020 (previously from May 12, 2020 – May 26, 2020, depending on the last digit of the taxpayer’s tax ID).
VAT / other tax measures (continued)

- Additionally, the government has postponed the due date for the filing of the tourism contribution form and payment for the first quarter 2020 to July 29, 2020 (previously due on April 20, 2020).
The Costa Rican government issued several emergency measures to address the economic impact of COVID-19 pandemic.

**Business tax measures**
- Deferral of payment of value-added tax, advance payments of income tax, consumption tax, and imports tax for the April – June period of 2020.
- Reduction to 25% of the minimum tax base in the social security health insurance and pension insurance on a temporary three-month basis.
- Certain measures to allow work from home to personal of FTZ regime companies.
- Social Security amnesty program bill (pending government approval).
- Law to allow modifications to employment contracts to reduce the workday.
- Law for temporary suspension of employment contracts.

**VAT / other tax measures**
- VAT exemption for April – June period of 2020 on commercial rents.
- Control over the exports of certain surgical-related products.

**Link(s) and resources**
- [http://www.presidencia.go.cr/](http://www.presidencia.go.cr/)
- [http://www.hacienda.go.cr/](http://www.hacienda.go.cr/)
**Economic measures**

- Banks and credit institutions are permitted to postpone interest and principle payments for their customers for a period of three to six months without recognizing a provision.

- Banks are temporarily permitted to exceed the debt to service ratio to a maximum of 50% (currently set at 37%). Life insurance companies and pension companies are allowed to postpone premium payments for three to six months without recognizing a provision.

- With immediate effect, the Central Bank of Curacao and Sint Maarten (CBCS) has restricted (and in some cases suspended) the issuance of licenses for foreign exchange transactions. This license is required for financial transactions starting as of ANG 150,000 (USD $84,250). This restriction also applies to existing license applications which have not yet been granted.

- The lending rate for commercial banks has been reduced to 1%. Additionally, the extra interest rate of 200 basis points for loans exceeding ANG 200 million is suspended.

- Banks are allowed to maintain a negative balance with the CBCS.

- The interest on so called “certificates of deposit” will be reduced to retain money in the market.

**Business tax measures**

- The first six items under the **personal tax measures** section on the following slide also apply to Curacao businesses.

- The business tax measure aim to provide a financial relief to the hospitality and tourism sectors, as they can keep the employer’s contributions and use these funds to cover other expenses instead. Employers of the following designated businesses (jointly referred to as hospitality businesses) will not have to remit the employer’s contribution of the general old age insurance (known as the “AOV/AWW premium”) of 9.5% to the Curacao tax authorities:
  - Hotels (and those that provide accommodation), restaurants, recreation and entertainment venues, convention centers, beauty salons, businesses in the travel industry, car rentals, car washes, and other transportation businesses.
Curacao (continued)

Personal tax measures

- Ongoing payment arrangements and granted extensions of payment may be suspended upon request. Companies and self-employed individuals can file a request for temporary suspension of payment.*
- The active pursuit of collecting outstanding tax liabilities will be temporarily suspended.*
- Reduced interest rate from 6% to 0% for late payments.*
- As an emergency tax measure, the collection costs for outstanding tax liabilities will not be charged to companies and self-employed individuals.*
- No fines will be imposed for late/no payment of outstanding tax liabilities.*
- Companies and self-employed individuals with liquidity problems can make new payment arrangements for all tax/non-tax matters.*
- The basic income tax allowance of ANG 2,284 will be increased with retroactive effect to Jan. 1, 2020, to an amount yet to be announced.

VAT / other tax measures

- A 0% import duty and sales tax has been applied to hygiene and sanitary/cleaning products.
- Hospitality and designated business do not have to remit the sales tax collected.

* These tax measures also apply to businesses
The government of the Dominican Republic issued emergency measures to address the economic impact of the COVID-19 pandemic. The Dominican Congress also approved a national state of emergency and imposed a national curfew through April 3, 2020.

**Business tax measures**
- For the hotel sector, the Tax Administration will stop applying rate restrictions to Advance Pricing Agreements (APA).
- The income tax due by entities with fiscal closing periods on Dec. 31, 2019, may be split into four payments.
- Urgent facilities will be granted for the payment of the first quota of income tax pre-payments for the productive sector, to pay in three installments immediately after the emergency period ends.
- The deadline for the filing and payment of the annual corporate income tax (CIT) return was extended to May 29, 2020. The same extension is granted to the deadlines for filing and payment of the first installment of the asset tax and the tax return for nonprofit organizations (NPOs).

**Personal tax measures**
- The filing and payment individual income tax returns for fiscal year 2019 and the income tax for taxpayers covered by the Simplified Tax Regime for fiscal year 2019 have been extended to April 30, 2020.

**VAT / other tax measures**
- Taxpayers may request payment agreements for payment in up to four installments of the VAT due for February 2020. Additionally, the deadline for the filing and payment of VAT for this period was extended to March 30, 2020.

**Link(s) and resources**
- [https://dgii.gov.do/publicacionesOficiales/avisosInformativos/Paginas/default.aspx](https://dgii.gov.do/publicacionesOficiales/avisosInformativos/Paginas/default.aspx)
The Ecuadorian government declared a state of sanitary emergency and a national state of exception due to the spread of COVID-19 within Ecuador during the previous 60 days. The Ecuadorian President further announced the following tax related measures:

**Business tax measures**

- The payment of the corporate income tax of fiscal year 2019 may be deferred by six months for the following taxpayers:
  - Small business
  - Resident on Galápagos Island
  - Airlines
  - Tourism sector (especially good and housing tourism activities)
  - Agriculture sector
  - Frequent exporters of goods
  - Those taxpayers that derive 50% of their income from export of goods
- The deadlines and terms of all tax administrative processes and the statutes of limitation of the collection action are suspended from March 16, 2020 through March 31, 2020. This suspension does not apply to all tax returns.
- The filing of tax annex whose statutory due date was March and April, is extended until August 2020.
- Extension for a period of 30 days from the original statutory due date for the presentation of the annual balance sheet, profit and loss statement, directors’ report, list of administrators, list of partners, and list of shareholders.
Personal tax measures

- Individual tax obligations for the months of April, May, and June 2020 may be deferred by six months.

  **Note:** This has not been formalized with a decree.

VAT / other tax measures

- Import tariffs on medical products deemed necessary to combat COVID-19 have been eliminated.

- The payment of the VAT related to April, May and June 2020 could be deferred by six months for the following taxpayers:
  - Small business
  - Resident on Galápagos Island
  - Airlines
  - Tourism sector (especially good and housing tourism activities)
  - Agriculture sector
  - Exporters of goods
  - Those taxpayers that generate 50% of their income from export of goods

Link(s) and resources

- [https://minka.presidencia.gob.ec/portal/usuariosExternos.jsf](https://minka.presidencia.gob.ec/portal/usuariosExternos.jsf)
- [https://www.sri.gob.ec/web/guest/home](https://www.sri.gob.ec/web/guest/home)
- [http://www.trabajo.gob.ec/](http://www.trabajo.gob.ec/)
- [https://www.aduana.gob.ec/](https://www.aduana.gob.ec/)
On March 14, 2020, the El Salvadoran Congress approved Legislative Decree 593, declaring a national state of emergency, state of public calamity, and natural disaster for 30 days as a result of the COVID-19 pandemic. The El Salvadoran Congress has also approved a temporary restriction to constitutional rights pertaining to freedom of movement, freedom of peaceful assembly, and freedom of residence due to the COVID-19 pandemic. On March 20, 2020, the El Salvadoran Congress approved Legislative Decrees 598, 603 and 604, through which benefits, and exemptions have been granted to certain taxpayers and businesses. On March 21, 2020, a general quarantine was declared in for a term of 30 days. All individuals are forbidden of transit and peaceful assembly during this period.

Business tax measures

Legislative Decree 598 grants an extension for the payment of the income tax corresponding to fiscal year 2019 (with no imposition of the applicable interest, charges, or penalties), to the following taxpayers:

- Small taxpayers that have to pay income tax that is less than or equal to USD 10,000 can make the corresponding payment in eight monthly installments. To access this benefit, taxpayers will have to request authorization to the General Treasury Directorate and pay in May 2020 10% of the income tax that has been self-assessed.

- Taxpayers in the tourism industry that have to pay income tax that is less than or equal to USD $25,000 can make the payment up to May 31, 2020. The extension is not applicable to taxpayers that have valid tax incentives granted according to the Tourism Law.

- The payment of the special tax assessed to the tourism sector has been suspended for three months.

- Taxpayers that generate, transmit, distribute and sell electric power can make the payment of income tax in eight monthly installments. To access this benefit, taxpayers will have to request authorization to the General Treasury Directorate and pay in May of 2020 10% of the income tax that has been self-assessed.

- Taxpayers that render at least two of the following services: cable TV, internet, and fixed or mobile telephony, can make the payment of the income tax up to in eight monthly installments. To access this benefit, taxpayers will have to request authorization to the General Treasury Directorate and pay in May 2020 the 10% of the income tax that has been self-assessed.

In all the above-mentioned cases, the annual corporate income tax (CIT) return must be filed no later than April 30, 2020.
Personal tax measures

Legislative Decree 598 grants an extension for the payment of the income tax corresponding to fiscal year 2019 (with no imposition of the applicable interest, charges, or penalties), to the following taxpayers:

- Small taxpayers that have to pay income tax that is less than or equal to USD $10,000 can make the corresponding payment in eight monthly installments. To access this benefit, taxpayers will have to request authorization to the General Treasury Directorate and pay 10% of the income tax that has been self-assessed.

- Taxpayers in the tourism industry that have to pay income tax that is less than or equal to USD $25,000 can make the payment up to May 31, 2020. This extension is not applicable to taxpayers that have valid tax incentives granted according to the Tourism Law.

- The payment of special tax for the tourism sector has been suspended for three months

VAT / other tax measures

- Legislative Decree 603 grants an exemption of VAT, custom duties, and any other tax that could be applicable to the importation of any goods, made by beneficiaries of the Free Trade Zones (FTZ), that will be donated to the Government, Municipalities, Public or Private Institutions, nonprofit organizations, humanitarian, educational, communitarian, compassionate, and other relief entities to assist in combating the effects of the COVID-19 pandemic on El Salvador.
VAT / other tax measures (continued)

- Donations must be supported with a corresponding certificate that will be issued by the Ministry of Economy in favor of the benefiting entity.
- Legislative Decree 604 modifies the Central American tariff of Importation in order to guarantee the supply of basic food, medicines, hygiene, and other cleaning products that required under the national state of emergency.
- The applicable import tariffs, among others, has been reduced to 0% for the following products:
  - Red beans
  - Wheat and rice flour
  - Cornmeal
  - Vegetables
  - Soap, liquid soap, and detergents

Link(s) and resources

- [https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/](https://www.diariooficial.gob.sv/diarios/do-2020/03-marzo/)
On March 24, 2020, the Guatemalan Tax Authorities issued Ruling number SAT-DSI-280-2020 which declares as non-working days for such authorities from March 24, 2020, to March 31, 2020 and from April 1, 2020, to April 14, 2020, for purposes of deferring the calculation of the administrative periods. Moreover, during this period the Tax Authorities may not carry out audit procedures or require compliance of tax obligations.

**Personal tax measures**

- The deadline for filing the February VAT return is extended to April 15.
- The deadline for filing the March VAT withholding tax return is May 5.

**VAT, GST and trade measures**

- The deadline for filing the annual income tax return is April 15.
- The deadline for filing the income tax return withholding is April 28.

**Business tax measures**

- The deadline for the presentation of reports required by law is extended to April 15.
- Existing or new audit processes are suspended during the established period and will be resumed on April 15.
- The deadline for attending information requests or presenting administrative appeals to the Tax Authorities is suspended and will resume on April 15, 2020.
- The recently enacted Decree 12-2020 determines that taxpayers subject to Solidarity Tax obligations may defer the payment corresponding to the second quarter of 2020 until Sept. 30, 2020 without generating any penalty, fine or surcharge. However, taxpayers benefiting from this measure may not lay off workers until the payment is completed.
Guatemala (continued)

Link(s) and resources

- [https://legal.dca.gob.gt/](https://legal.dca.gob.gt/)
Honduras issued several emergency measures to address the economic impact of COVID-19 pandemic.

**Business tax measures**

- A deferral on the payment of the income tax for persons and independent professionals was approved. Tax return and payment must be done before 30 June 2020, but only for small and medium companies.

- Small and medium companies who file and pay the return on or before April 30, 2020 may apply a discount of 8.5% of the tax to be paid.

Taxpayers who, during March to December 2020, preserve their payroll and the payment of wages, will be able to apply for the months within the state of emergency, an additional 10% (over the salaries paid) as a deductible expense for fiscal year 2020.

- Income tax advance payments for fiscal year 2020 will be calculated on 75% of the tax declared for fiscal year 2019. The payment dates are postponed for Aug. 30, Oct. 30, and Dec. 31, 2020.

- Extension to file the transfer pricing informative return to July 31, 2020.

- An extension to pay the Private Contributions Scheme (RAP) of February 2020, was approved.

- Contributions to the RAP can be paid within the following 15 days after the state of emergency ends.
Honduras (continued)

Personal tax measures

• A deferral of payment of income tax for persons and independent professionals. Tax return and payment must be made no later than June 30, 2020.

VAT / other tax measures

• An extension to file GST returns for all taxpayers who have no operations during the state of emergency. GST returns must be filed no later than 10 business days following the end of the state of emergency.

• An import duties and local taxes exemption is granted for the importation of raw materials, supplies, amongst others, to produce healthcare products and medicines to counter COVID-19. Exemption on local taxes (GST) also applies to masks and alcohol gel.

Link(s) and resources

• www.presidencia.go.cr
• www.hacienda.go.cr/
On March 13, 2020, the Cabinet Ministers of Panama issued Cabinet Resolution No. 11, which declared a national state of emergency.


On March 24, 2020, the Panamanian government published Official Gazette No. 28987-A, Executive Decree No. 25, which adopted certain tax measures to relieve the economic impact from the COVID-19 pandemic.

**Business tax measures**

- The deadline for filing income tax returns was extended to May 30, 2020.
- The deadline for payment of taxes during the national state of emergency was extended to July 17, 2020. No imposition of fines, interest, or any surcharges will be applied.
- Taxpayers may determine the estimated tax paid. This amount may not be less than 70% of the tax liability from the fiscal year 2019 financial results without prior authorization from the tax authorities.
- A one-year exemption was extended for AMPYME registered companies – micro-, small-, and medium-sized companies.
- Tax amnesty term on interest and penalties was extended to June 30, 2020 (this is guaranteed by Law 99 of 2019). Any late payments are automatically subject to the benefit of the tax amnesty term.
- Payments from Payment Arrangements have been extended to Dec. 31, 2020.
VAT / other tax measures

- Extension of the terms for the payment of taxes for the payment of taxes (including national direct and indirect taxes) that are caused or must be paid during a period declared as a national state of emergency until July 17, 2020. This applies without the imposition of fines, interest, or any surcharges.

Link(s) and resources

- [https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf](https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf)
- [https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf](https://www.gacetaoficial.gob.pa/pdfTemp/28985_C/GacetaNo_28985c_20200320.pdf)
- [https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf](https://www.gacetaoficial.gob.pa/pdfTemp/28987_A/77997.pdf)
Dated March 9, 2020, Decree No. 3442/2020 provides for the implementation of preventative actions against the risk of expansion of COVID-19.

Dated March 16, 2020, Decree No. 3456/2020 declared a state of sanitary emergency throughout the national territory to control compliance with the sanitary measures set forth in the implementation of preventative actions against the spread of COVID-19.

Tax Resolutions issued by the Paraguayan Ministry of Finance (SET) established the following:
- Suspension of activities with the public on the taxpayer attention platforms.
- Several applications in SET will be received analyzed and approved electronically or via a call center.
- Presentation of external tax audit opinions is extended until November 2020.
- Tax compliance certificates issued through June 30, 2020, will be valid for 90 calendar days.

**Personal tax measures**
- Decree No. 3457/2020 established a regime for the payment of personal income tax (IRP) and established a period of regularization for compliance with respect to personal income tax obligations.
- No penalties will be applicable for contravention until June 30, 2020.
Paraguay (continued)

VAT GST and trade (Continues)

• Decree N° 3.477/2020, provides for a special Value Added Tax (VAT) regime on certain sensitive products (sodium, facemask fabric and supplies and surgical supplies. The new tax rate for this products goes from 10% to 5%) in the framework of the sanitary emergency.

• Resolution N° 49 enacted by SET dated 31 March 2020, exceptionally extends the deadline of VAT, Excise General Tax and Excise Fuel payment to those whose Tax ID ends in 7, 8 or 9, until May 4, 5 or 6, respectively.

Business tax measures

• Corporate income tax and the agricultural income tax that consist of:
  - minimum payment equivalent to 20% of the debt, annual interest rates of 0% and up to five monthly payments. Failure to make these payments will generate the respective interest.
  - Extends until July 2020 the deadline of the first advance payment of the business income tax for fiscal year 2020.

• Law N° 6524/2020 established the ability to defer the social security payment up to 18 months.

Link(s) and resources

• http://www.gacetaoficial.gov.py/index/buscarContenidos
The Peruvian government declared a national state of emergency as a result of the spread of COVID-19. The state of emergency establishes the suspension of certain work activities and limits public transportation. All on-going terms and deadlines of tax procedures already initiated have been suspended for 30 business days beginning on March 16, 2020 (Urgent Decree No. 026-2020).

For payments in installments granted before March 15, 2020, the installment payment to be paid in March can be paid in April with no penalties or further consequences (Peruvian Tax Authority Resolution No. 058-2020/SUNAT).

The Peruvian Tax Authority will not apply tax penalties for infractions committed or detected during the national state of emergency initiated on March 16, 2020 through March 30, 2020 (Peruvian Tax Authority Resolution No. 008-2020-SUNAT/700000).

**Business tax measures**

- Business taxpayers with income up to 5,000 tax units (USD 6,000,000) during fiscal year 2019 have the possibility to postpone the following items:
  - Monthly income tax return for the month of February 2020, until the first days of April 2020
  - The filing of electronic sales register, the electronic register, and the electronic purchase register for the month of February 2020 until the beginning of April 2020
  - The annual return of operations with third parties until April 7, 2020
- The filing of the 2019 annual income tax return and its corresponding payment until June and July 2020 (original deadline was either late March or early April 2020)
- Losses incurred during fiscal year 2020 may be carried forward to offset 100% of profits obtained in the following five years instead of four years as established in the general rule, counted from tax year 2021.
Business tax measures (continued)

Special Depreciation System applied as from 2021 with the following rates:

• Buildings and construction at 20%, if construction started on or after Jan. 1, 2020, and at least 80% of the construction is completed as of Dec. 31, 2022. The 20% depreciation also may apply to assets acquired by taxpayers in tax years 2020, 2021 and 2022, provided the assets meet some requirements and they have not been totally or partially built before Jan. 1, 2020.

• Data processing equipment 50%.

• Machinery and equipment 20%.

• Ground transportation vehicles (except railways) with EURO IV/Tier II/EPA 2007 technology 33.30%.

• Hybrid or electric ground transportation vehicles (except railways) 50%.

Personal tax measures

• Individual taxpayers with income up to 5,000 tax units (USD 6,000,000) during the fiscal year 2019 have the possibility to postpone the filing of the annual income tax return and its payment until June and July 2020 (original deadline was either late March or early April 2020)
VAT / other tax measures

- A 0% customs duty rate has been applied to the import of certain medicines, medical equipment, and medical devices during the 90 calendar days beginning on March 12, 2020. At the end of this 90 calendar day period, the rate will go back to 6% (Supreme Decree No. 051-2020-EF).

- Taxpayers with income up to 2,300 Tax Units (approx. US $2,841,176) during fiscal year 2019, have the option to postpone the filing of VAT returns for the month of February 2020 until the first days of June.

- Taxpayers with income up to 5,000 Tax Units (approx. US $6,000,000) during fiscal year 2019, have the option to postpone the filing of the VAT tax for the month of March and April until June.

Link(s) and resources

- https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-establece-diversas-medidas-excepcion-decreto-de-urgencia-n-026-2020-1864948-1/
Link(s) and resources (continued)

- [https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-dicta-medidas-complementarias-para-r-decreto-de-urgencia-n-031-2020-1865129-1/](https://busquedas.elperuano.pe/normaslegales/decreto-de-urgencia-que-dicta-medidas-complementarias-para-r-decreto-de-urgencia-n-031-2020-1865129-1/)
Trinidad and Tobago

The government of Trinidad and Tobago announced the following tax and economic measures to combat the effect of COVID-19:

**Personal tax measures**
- Cash refunds of TTD 20,000 or less will be paid beginning the week of March 31, 2020.

**VAT / other tax measures**
- Cash payments of VAT refunds of TTD 250,000 or less will be made beginning the week of March 31, 2020.
- Based on the government’s cash flow, cash refunds of TTD 500,000 or less may be made beginning the week of March 31, 2020.
  - A TTD 3 billion bond will be issued by March 31, 2020, to partially pay the VAT refunds in excess of TTD 500,000

**Economic measures**
- Reduction in the reserve requirement for financial institutions from 17.0% to 14.0%
- The repurchase agreement (REPO) rate will be reduced from 5.0% to 3.5%.
- Individuals who lose their jobs as a result of the measures being put in place to combat COVID-19 will be able to access a Salary Relief Grant of TTD 1,500 per month for the next three months (benefit will be administered by the National Insurance Board).
- Commercial banks and other lending institutions have been encouraged to offer interest rate reductions and payment moratoriums to customers.
- The availability of foreign exchange will be increased for pharmaceuticals, food and manufacturing.
- All borders are now closed for passenger travel. Air travel is allowed only in the case of emergencies.

Link(s) and resources:
On March 13, 2020, the government of Uruguay instituted a national state of sanitary emergency. As such, a package of economic stimulus has been adopted, which includes the following tax related items:

**Business tax measures**
- The due date for the filing and payment of income taxes collected by the Uruguay Tax Authority has been extended until March 27, 2020 (original due date was in February 2020).

**Personal tax measures**
- Contributions made by employers to the Social Security Bank (BPS) pertaining to March and April of 2020, for small taxpayers, sole-proprietorships, and certain "personal" companies (maximum of 10 employees), may be paid 60% in June and the remaining 40% will be fully subsidized by the state.
- The due date for the filing and payment of income taxes collected by the Uruguay Tax Authority has been extended until March 27, 2020 (original due date was in February 2020).

**VAT / other tax measures**
- The Ministry of Economy and Finance (MEF) announced that it will postpone the expiration of the VAT payment (for small taxpayers under the minimum VAT regime) for March and April of 2020 to be paid in May of 2020. These payments may be made in six equal, consecutive, interest-free installments.
- The due date for the filing and payment of VAT collected by the Uruguay Tax Authority has been extended until March 27, 2020 (original due date was in February 2020).
Uruguay (continued)

Link(s) and resources:

- https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/flexibilizacion-seguro-paro-mieres
The Venezuelan government declared a national state of alert and emergency. On March 16, 2020, the Executive Branch suspended the following activities for 30 days:

- School and universities
- Work (except for utilities, food, and medical sectors)

Decree N° 4,169 of March 23, 2020, which the payment of rental fees for commercial properties and those used as primary Housing is suspended until Sept. 1, 2020.

The Tax Administration (SENIAT) has not announced the suspension or extension of compliance deadlines. However, according to the Master Tax Code, these 30 days are understood to be non-working days for the computation of tax obligations. Additionally, due to the suspension of banking activities as a result of the national state of alert and emergency, the payment of tax obligations cannot be carried out except in the case of those taxpayers who have bank accounts in public banks.

**Personal tax measures**

- Decree N° 4,171 of March 2, 2020, by which the annual income of territorial source obtained by individuals resident in the country during the fiscal period of 2019, whose normal salary or income from the exercise of its activity at the close of said period does not exceed the amount equivalent to three minimum wages (approx. $6 U.S. dollars), is exempted from the payment of Income Tax (IT) in force as of Dec. 31, 2019.