

## **Tax-related and economic measures in connection with COVID-19 Focus on indirect taxation at national and EU level**

Shortly after the release of our [newsletter of 22 March 2020](#), details of the implementation relating to indirect taxes were published last week. The first part summarizes the necessary measures for each type of tax, while the second part deals with the measures implemented by the European Member States. This overview is intended to help those companies that have foreign VAT filing obligations to find their way in the various national regulations of each EU Member State.

### **1) Measures at national level**

The measures include a temporary waiver to charge interest on late payments of VAT, excise and customs duties until 31 December 2020. The VAT submission and payment deadlines of 60 days after the end of the accounting period (monthly, quarterly or semi-annually) as stipulated in the Swiss VAT Act will continue to apply. VAT payers must generally comply with their procedural and payment obligations within these deadlines.

In the event of cash-flow problems, the Federal Tax Administration (FTA) and the Federal Customs Administration (FCA) will grant payment facilities in the form of payment deferrals to VAT-liable companies upon request.

It is to be noted that the procedures for the deferral is not uniform for the FTA and the FCA. Please refer to the respective notes in the following tables.

## Customs duties, Import VAT

Topic	Action	Timeline
For companies having an own customs account («ZAZ or PCD» account): Request for payment deferral for max. 90 days	Application for payment deferral using the form of the FCA ( <a href="#">Application form</a> ) to be filed electronically to <a href="mailto:info-finanzen@ezv.admin.ch">info-finanzen@ezv.admin.ch</a>	Immediate filing necessary since otherwise regular payment deadline applies
For companies not having an own customs account and making use of the customs clearance account of their carrier / forwarding agent	Companies not having an own customs clearance account cannot themselves. If customs duties and import VAT are being charged to the customs clearance account of a carrier / forwarding agent, the latter must submit the corresponding application for deferral and grant his customers a longer payment period	Immediate contact with the carrier / forwarding agent required and clarification of payment deadlines for customs duties and import VAT
Possibility to reduce the security deposit in case of excess coverage of customs clearance account	Written application for a reduction of the security deposit (must contain information of customs clearance account number, amount of the reduction and bank details for reimbursement) This solution cannot be combined with an application for a deferral of payment to the FCA	Possible at any time
Waiver of increase in security in the event of under-coverage	FCA temporarily renounces to impose an increase of the customs clearance account guarantee in the event of under-coverage	No action required

**To be noted:** The application for payment deferral to the FCA only has to be submitted once. It then applies to all subsequent imports and does not need to be renewed

## VAT

Topic	Action	Timeline
Request for payment deferral (postponement for 90 days)	Application for payment deferral <u>with no justification</u> to be filed via the Online portal ESTV-Suisse Tax when VAT return is filed	30 May 2020 if VAT return is submitted on a quarterly basis In case of a monthly VAT filing within 60 days after the end of a calendar month In case of semi-annually filing of the VAT return until 30th of August 2020
Request for payment deferral (postponement for more than 90 days)	Substantiated application for payment deferral of more than 90 days to be filed electronically to <a href="mailto:inkasso.rss@estv.admin.ch">inkasso.rss@estv.admin.ch</a>	See above
VAT payers having a credit in their favor against the FTA are recommended to submit the VAT returns as soon as possible	According to the FTA, the reimbursement should be made in less than the statutory 60 days upon request	Application to be filed in which the immediate reimbursement is applied for

**To be noted:** Applications for payment deferrals must be submitted to the FTA for each individual period (quarterly, monthly or semi-annually)

## CO<sub>2</sub> levy, automobile tax, mineral oil tax, beer and alcohol tax

Topic	Action	Timeline
The payment deadlines of the FCA for the payment of the above duties can also be extended by a maximum of 90 days	<p>Application for payment deferral using the form of the FCA (<a href="#">Application form</a>) and to be filed electronically to <a href="mailto:info-finanzen@ezv.admin.ch">info-finanzen@ezv.admin.ch</a></p> <p>Application for payment deferral filed by a holder of a customs clearance account is considered to be an application for these charges too</p> <p>Companies without own customs clearance account must submit the above form (this will not lead to a payment deferral for customs duties and import VAT)</p>	Immediate filing necessary since otherwise regular payment deadline applies

**To be noted:** The application for payment deferral to the FCA only has to be submitted once. It then applies to all subsequent imports and does not need to be renewed

## Heavy vehicle charges (HVC)

Topic	Action	Timeline
The HVC for transport motor vehicles over 3,5t is levied by the cantonal road traffic offices (Strassenverkehrsämter / Office de la circulation)	Canton of ZH: Due date of invoices 120 days (previously 30 days) Canton of AG: Application for payment in instalments possible	As soon as possible, also applies to invoices issued before 17.3.2020

## 2) Measures at European level

Not only Switzerland, but also the EU Member States and Norway have taken tax measures to support the economy. The attached table is intended to provide an overview of the applicable measures in the area of European VAT and, in particular, to be an aid for those companies that have to fulfil VAT filing and payment obligations in EU jurisdictions.

This overview is updated every Friday by the Taxand Network and published on [www.taxand.com](http://www.taxand.com).

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