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EXTENSION OF SPECIAL DEFERRAL FOR TAX PAYMENTS

Update 14 december 2020 – We earlier reported on the extension of the special deferral for tax payments as a result of the corona crisis. You can read about that [here](#). The option to apply for an extended deferral was later extended. On 9 December 2020, the Ministry of Economic Affairs and Climate once again announced adjustments relating to, among other things, the special deferral for tax payments.

Extension until April 2021

Companies that have not previously applied for a special deferral of or an extension thereof, could still apply for an extension until 1 October, 2020. Due to the ongoing corona crisis, the government decided to make the special deferral first available until 31 December 2020 and now even until 1 April 2021. Therefore, companies that cannot pay their tax debts as a result of the corona crisis may apply for a payment deferral until 31 March 2021.

Conditions for extension

The special deferral applies, inter alia, to all outstanding and yet to be imposed corporation tax assessments, payroll taxes and VAT with a payment deadline of 31 March 2021. The postponement can also be requested for assessments in income tax and the Health Insurance Act. Payment obligations that arise on or after 1 April 2021 must "simply" be fulfilled again. As of that date no extensions are granted under the special deferral scheme.

For entrepreneurs previously granted an extension in 2020, the extended deferral automatically applies until 1 April 2021. For all these entrepreneurs, therefore, resumption of payment of newly arising tax obligations will not be required until 1 April 2021.

Tax debts for which the special deferral is granted may be repaid in the period 1 July 2021 to 1 July 2024. In the event of an extension of special deferral, pre-corona tax debts may also be repaid during this period.

Third party expert statement

Please note: with the request for an extension of the special deferral, a statement from a third party expert including a liquidity forecast must be enclosed. This only applies if a special deferral for three months has already been granted and the total tax liability at the time of the first request is € 20,000 or more.

When applying for an extension, the entrepreneur must also declare that he will endeavour to maintain or strengthen the liquidity position. Therefore, it is not permitted to acquire own shares, pay dividends, or pay bonuses, distribute profit or make other payments to the board and management or to make any other payments that have the characteristics of bonuses during the special period of deferral.

Since the special deferral period is being extended until 2021, it seems likely that the aforementioned restrictions also apply to dividends and bonuses in this respect in 2021, but this is not explicitly evident from the announcement of 9 December.

These (additional) requirements therefore do not apply if you apply for a special deferral for the first time.

You can apply for the special deferral online with your Digi-D or in writing. Of course we are able to do that on your behalf.

More information?

For more detailed information and questions please contact your trusted RSM advisor or send an email to maatregelencorona@rsm.nl.