

COVID-19

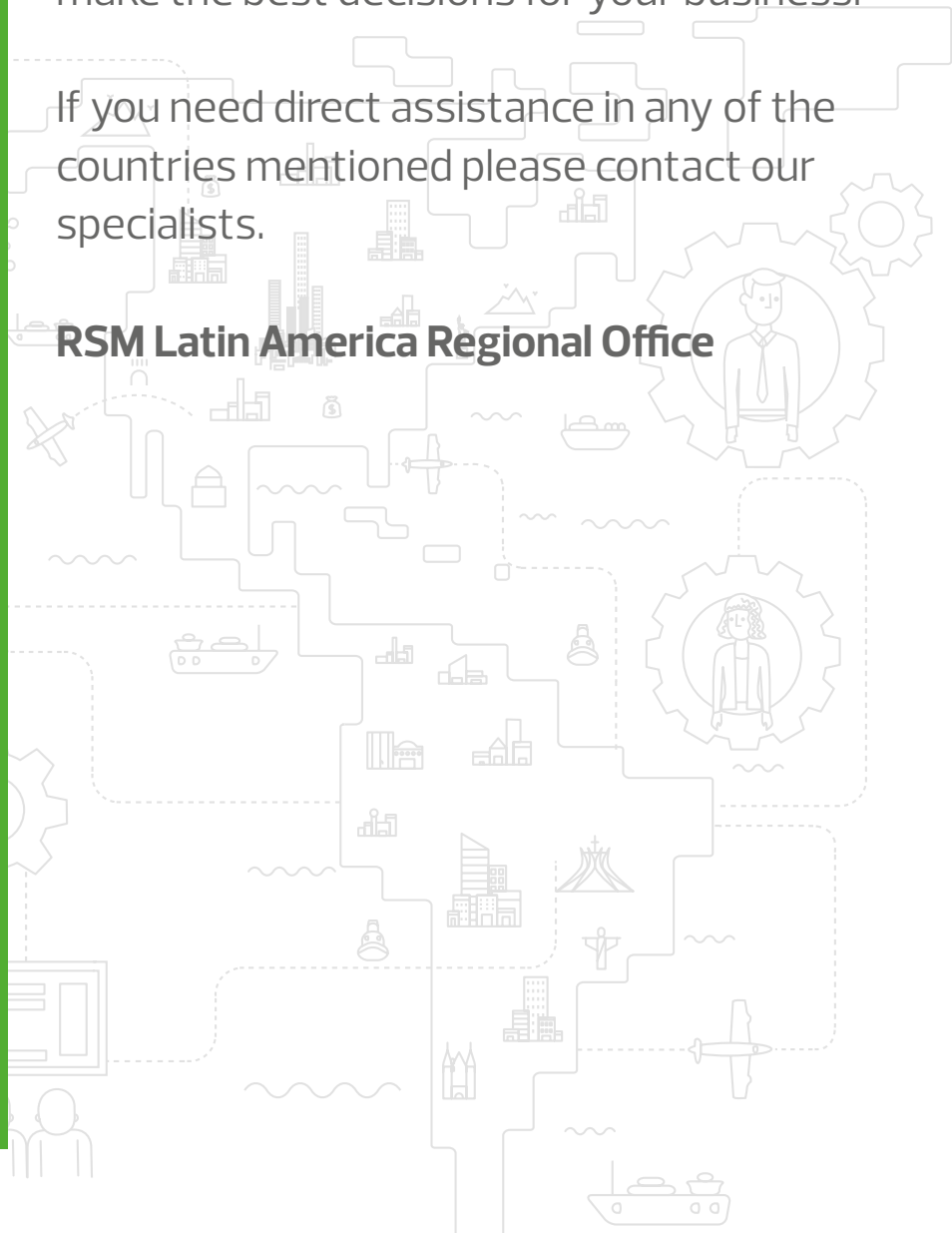
FISCAL AND ECONOMIC MEASURES

Given the Covid-19 situation all around the world, RSM Latin America provides you a summary of the most important measures taken by the governments of the Americas to respond to the impact of the pandemic in the region.

Please note that this document is being produced in May 2020 and that we will be producing regular updates to help you make the best decisions for your business.

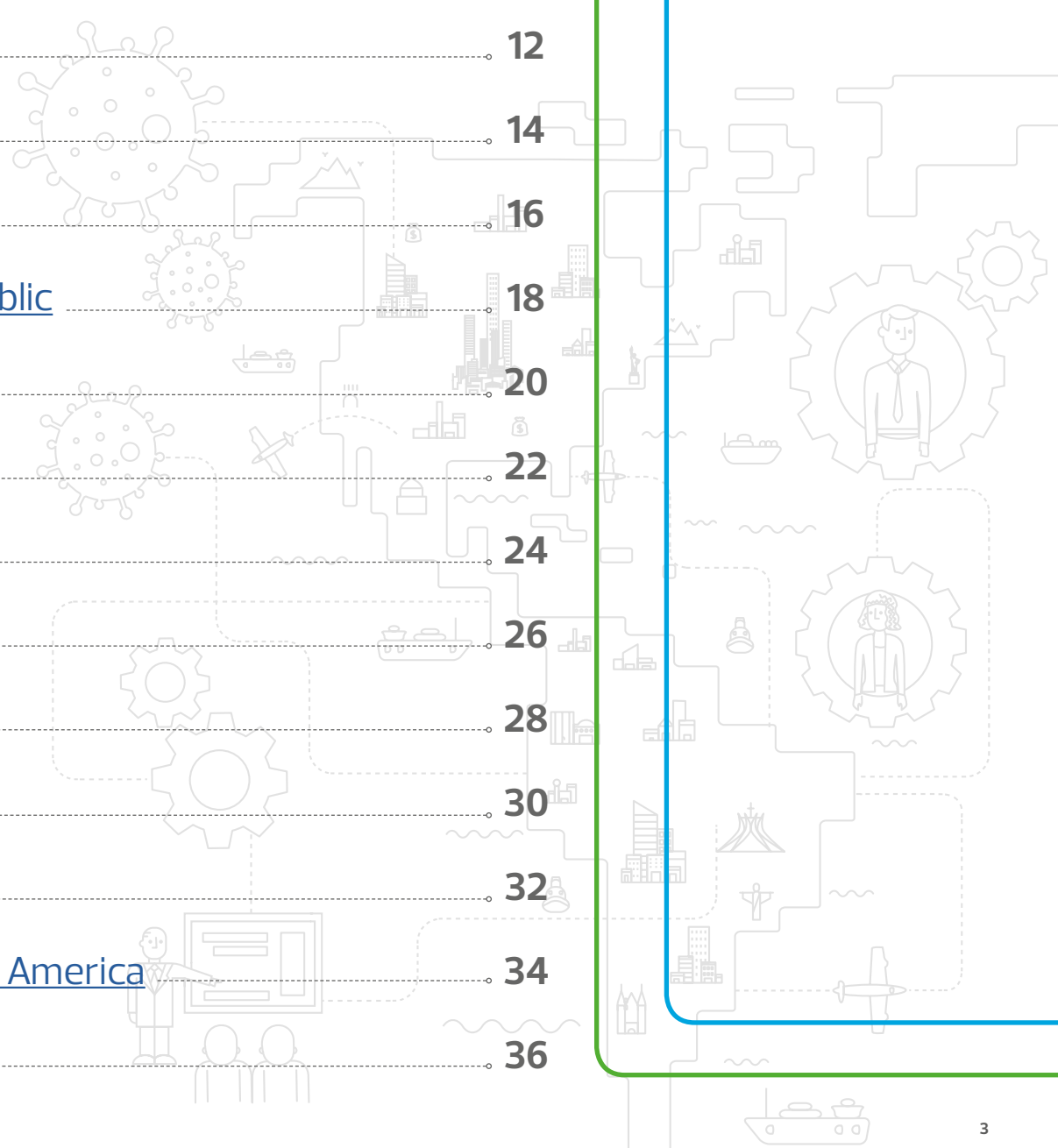
If you need direct assistance in any of the countries mentioned please contact our specialists.

RSM Latin America Regional Office

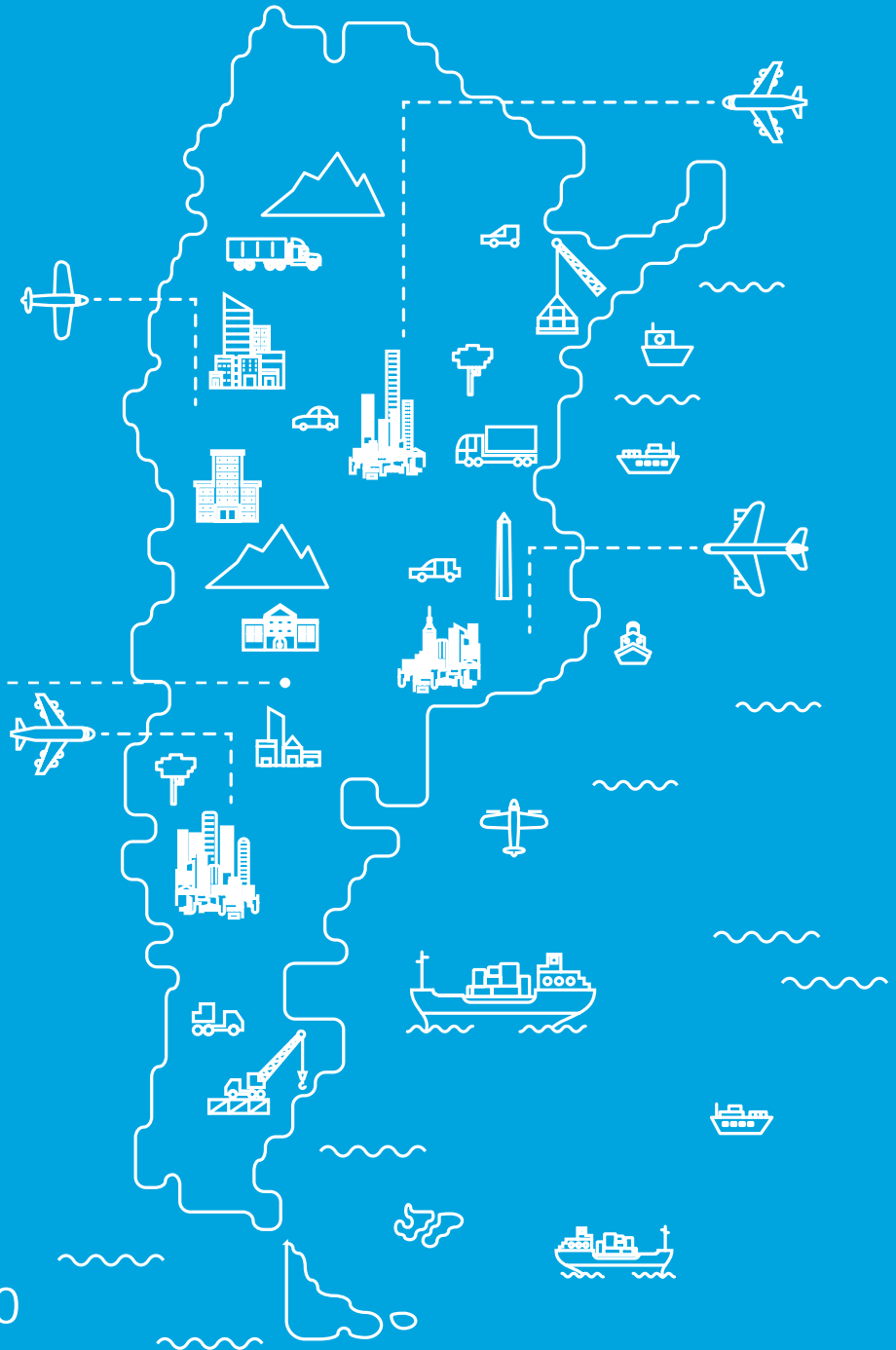


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ARGENTINA



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

- Extension until 30/06/20 of the instalment plan for Micro, Small, and Medium enterprises
- Suspension until 30/04/20 of attachments and similar judicial procedures for Micro, Small and Medium enterprises
- Suspension of judicial terms (Judicial recess) from 18/03/20 until 31/13/20
- Suspension of terms in administrative procedures (except for Health and another emergency related sectors)
- Extension until 30/04/20 of the term for filing F572 (report of deductions to be used in Income Tax)
- Extension until 29/05/20 of the term for filing annual return by employers because of their employees income tax obligation
- Extension until 30/06/20 to use the electronic filing service ("Presentaciones digitales") for certain procedures.
- Reduction of the Debits and Crédits on bank accounts tax for Health sector companies (and related companies) to 0.25% (credits) and 0.5% (debits)
- Temporary exemption of part of Social Security (employer's contribution) for sectors critically affected by the pandemic (public entertainment, restaurants, tourism, hotels, public transportation)
- Extra hours required by sectors considered to be essential (health, food, transportation) to guarantee continuity of the services during the pandemic have a reduction of part of Social Security (employer's contribution) of up to 95%
- Salary of those employees unable to perform home office work will not be subject to Social Security (employee and employer's)

Expert's perspective:

This measures are absolutely insufficient. An additional set of measures with additional benefits is expected.

BOLIVIA



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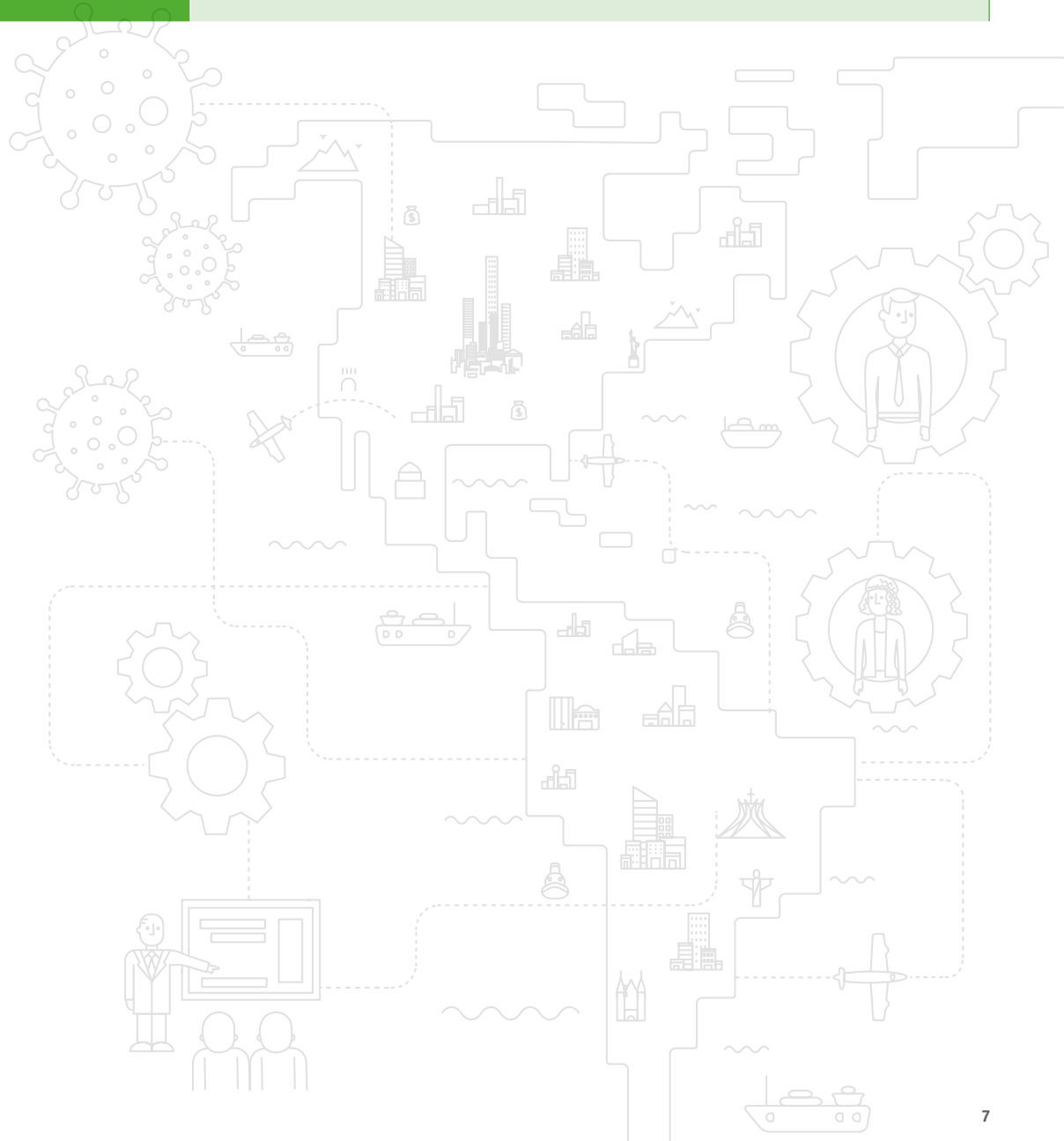


What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

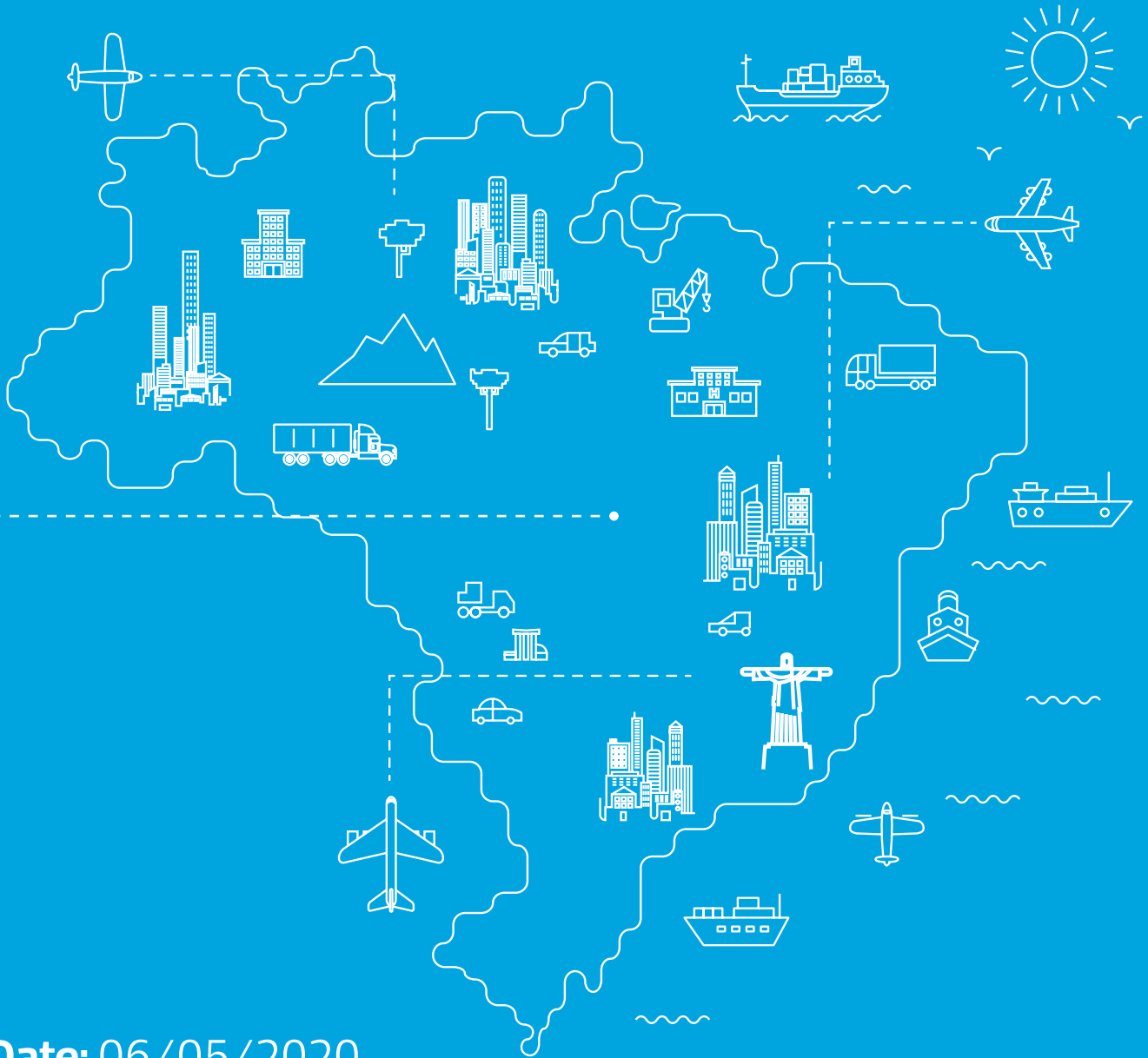
- Extend the presentation of the Financial Statements and declaration and payment of Income Tax until May 29, 2020, being its payment in installments

Expert's perspective:

These are initial measures that partially support companies. We must see what new measures could be taken these days



BRAZIL



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

Federal Revenue Services has implemented some measures to restrict taxpayers need to require face-to-face service, such as postponing to May 29th, 2020 a few collection measures for individuals and its deadlines for appealing in proceedings.

CBE 2020 is a report must be filed to Brazilian Central Bank (BACEN) by any individuals or companies resident in Brazil that in December 31st, 2019 had assets overseas in the minimum amount of USD 100,000. Its filing deadline originally set for April 5th was deferred to June 1st, 2020.

Federal Revenue Services and General Attorney's Office have announced that all clearance certificates already issued by companies and individuals will have its expiring dates extended for 90 (ninety) days. General Attorney's Office has also issued rules related to the special settlement of tax disputes.

All federal taxes installments programs remain in course but defaulting taxpayers will not be subject to exclusion procedure which will be suspended until May 29th, 2020.

Taxes due by companies included in the SIMPLES tax system calculation had its deadlines deferred for 6 (six) months.

The Federal Government has published the Provisional Measure n. 927/2020 that brought labor measures to allow companies to implement to its employees independent of union agreements such as (i) teleworking; (ii) vacation and future public holidays special schedules; (iii) collective vacation; (iv) hour banks; suspension of duty related to regular medical occupational examinations; (v) deferral of Severance Indemnity Fund (FGTS) deposit deadlines which may be paid in installments.

Also, due to Coronavirus pandemic, the Brazilian Development Bank (BNDES), has announced a financial support to Small and Medium Companies by providing a special credit line directed to its business.

Federal Government exempted several equipments and products used to combat COVID19 from IPI (tax on industrialized goods) and II (Import Tax) until September 2020.

Employer social security contributions, PIS and COFINS (contributions on revenue) due in April and May had its collection date extended to July and September, 2020.

System contributions (SESI, SENAI and others) has its rates reduced until June 2020.

Individual's tax income return deadline was extended from April 30th to June 30th, 2020.

Tax on credit transactions (IOF) was reduced to zero rate until July 2020.

Government may publish new measures to assist companies soon and also to define procedures to implement some of the measures announced

Expert's perspective:

CANADA

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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

03/11/2020. The Prime Minister Justin Trudeau announced \$1 billion of funding to fight the Covid-19 pandemic, broken down as follows:

- \$500 million to support critical health care system needs;
- \$275 million for vaccine development;
- \$100 million for enhanced testing;
- \$50 million for communication efforts;
- \$50 million to assist other countries; and
- \$50 million for personal protection equipment.

03/13/2020. Federal Finance Minister Bill Morneau announced that \$10 billion would be available through the Business Credit Availability Program and to be administered through the Business Development Bank of Canada (BDC) and Export Development Canada (EDC). The BDC is offering support for entrepreneurs by introducing Small Business Loans, Working Capital Loans and Purchase Order Financing containing supportive payment terms.

03/18/2020. The Prime Minister announced measures in the amount of \$27 billion of direct funding targeted to support individuals and small businesses. Which includes Employment insurance sickness benefits, work-sharing programs, emergency care benefit, and emergency support benefit. As well as enhancement to goods and services tax credits and Canada child benefits.

For small businesses, salary subsidy equal to 10% of remuneration paid to a maximum of \$1,375 per employee and \$25,000 per employer.

Tax deferrals to support Canadians with extended filing deadline until June 1, 2020. Canada Revenue Agency will allow all taxpayers to defer, until August 31, 2020, the payment of any income tax amounts that are owed on or after March 18 and before September 2020.

The Canada Revenue Agency will allow all businesses to defer, until August 31, 2020, the payment of any income tax amounts that become owing on or after March 18, 2020 and before September 2020.

Expert's perspective:

Credit markets are functioning as a result of liquidity injections described above and the Bank of Canada's decisive action to cut rates on March 4th. There is room for additional measure by the Canadian government especially since all signs indicate that we are now in a recession.

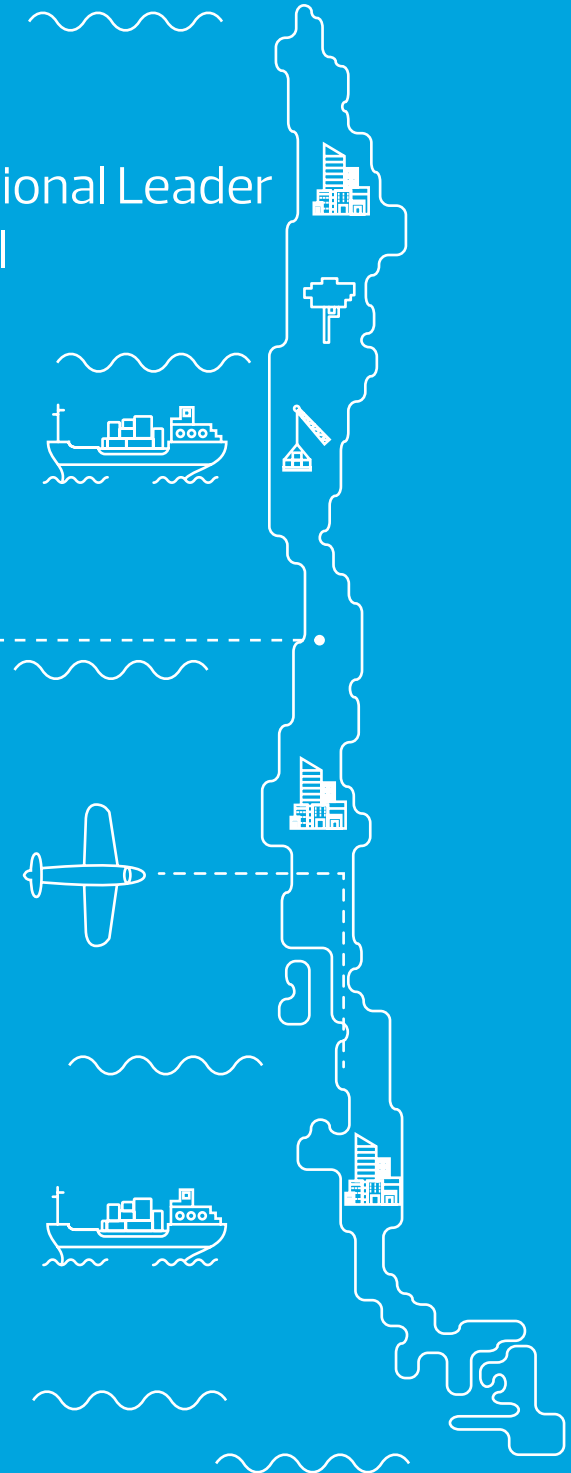
CHILE

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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

Main exceptional measures adopted to generate more cash and working capital, focusing on SMEs, and some measures for individuals.

1. The payment of SMEs' Corporate Income Tax has been postponed until July 31, 2020; the original deadline was April 30. (2019 Business year).
2. The VAT payment that is supposed to be declared and paid in the months of April, May and June 2020, has been deferred until July 2020 and it may be paid in 6 and/or 12 installments, depending on the revenue level of the companies.
3. Suspension of the Monthly Advance Payments (PPM) in April, May and June, which the taxpayers have to pay for 2020 Corporate Income Tax, this measure benefits all companies.
4. Early tax refund payment in April 2020 to both individuals and SMEs'. (2019 Business year).
5. The Tax Authority and the General Treasury have been empowered to provide payment facilities through special agreements and to cancel, in whole or in part, late payment interests and fines on Income Tax and Real Estate Tax payments, or when any of the tax returns are filed late
6. And finally, the Stamp Duty Tax rate was reduced to zero, with respect to the taxes due from April 1 through September 30, 2020.

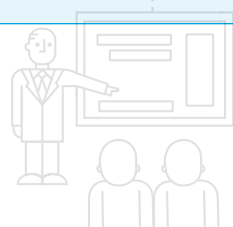
The Chilean IRS has confirmed as tax expenditure, a number of amounts can be deducted in order to maintain business activities on going, especially these reductions consider:

1. Amounts incurred, voluntarily or mandatorily by taxpayers and intended to prevent, contain or reduce COVID-19 spreading;
2. Expenditures intended to reduce or mitigate its effects to protect the interests of the taxpayer's business, ensuring, among others, the maintenance or support of its employees, including salaries payments even though they have been unable to attend or present themselves at their workplaces due to unforeseen circumstances, employees relationship temporary suspension or any other cause attributable to COVID-19;
3. Expenses related to strategic business plans implementation and customer loyalty program for facing the economic crisis situation, and
4. Reduce the future expenditures in order to development and maintenance the business on going.

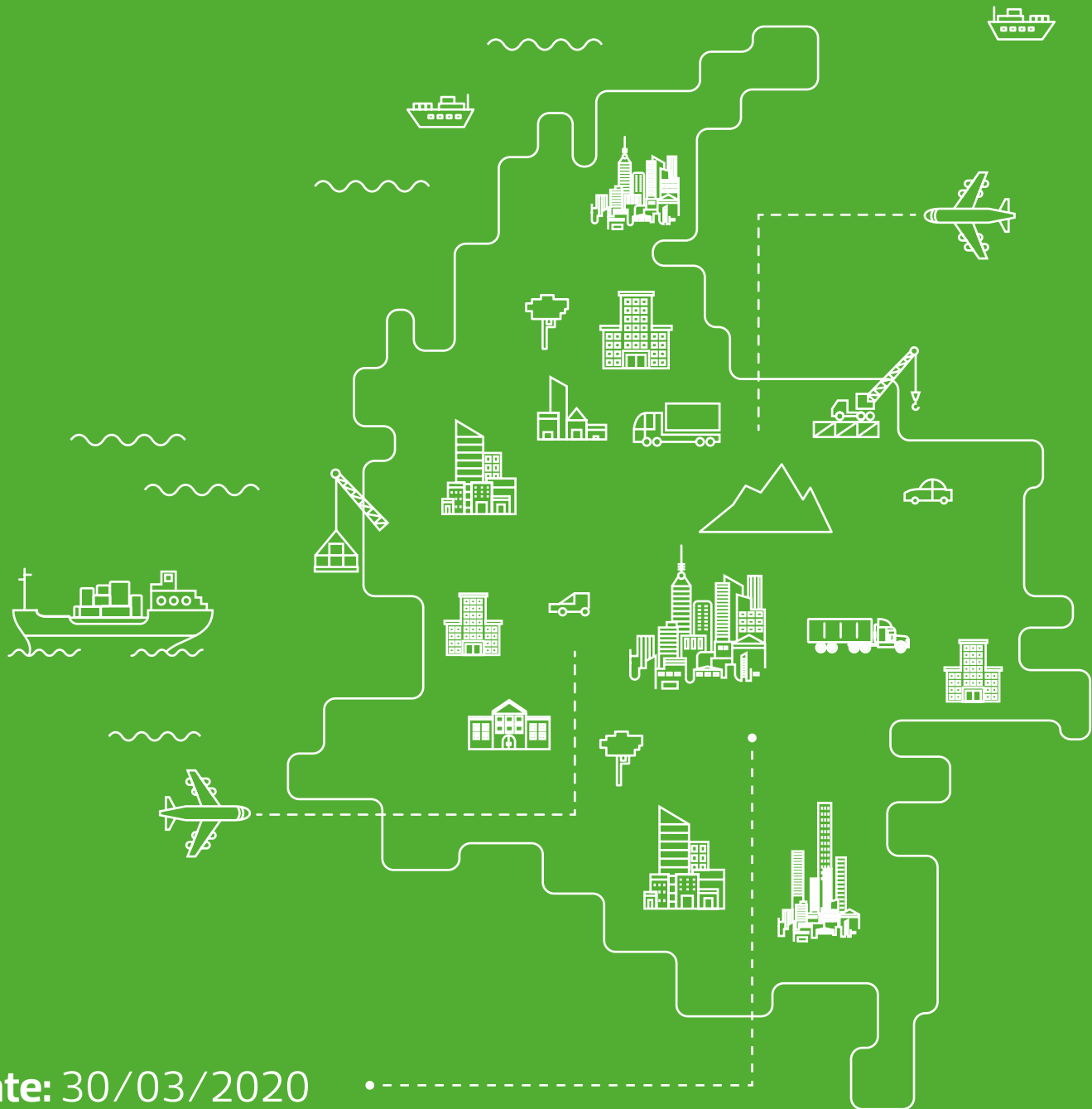
In addition, has been instructed that taxpayers may make donations in money or in kind, subject to compliance with certain conditions, without legal ceilings currently included in law and even when the taxpayers are in a tax loss situation.

Expert's perspective:

We think that the measures taken are reasonable for the time being, nonetheless we believe that the next step it is provide tax incentives to promote investment



COLOMBIA



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

1. Decree 401 of 2020 issued by the Ministry of Finance and Public Credit

The dates for the payment and filing of Income Tax and VAT returns were deferred for companies directly affected.

(For aircraft and air transport companies; hotels and hospitality industry, entertainment and spectacles industry).

The date for the filling of the Wealth Tax, Normalization Tax, and Foreign Assets was set to September 25, 2020.

2. Decree 435 of 2020 issued by the Ministry of Finance and Public Credit

The dates for the payment and filing of the Income Tax return and Foreign Assets return were postponed a week for all taxpayers.

Concerning VAT, only the deferment of payment is maintained until June 30, 2020, and companies whose corporate purpose is sale to the prepared food table, sale of prepared meals in cafeterias, other types of prepared food sale, sale of alcoholic beverages for consumption within the establishment, activities of travel agencies and activities of tour operators were added.

For the Consumption Tax a new date is established for the payment of the second two-month period: June 30, 2020

3. Decree 439 of 2020 (issued by the Ministry of Finance and Public Credit)

Transitional Tax Measures (VAT – Special Regime)

Through this Decree, transitory measures are adopted within the State of Economic, Social and Ecological Emergency against:

- Transitory exemption from VAT, conditions, and requirements: for the sale and import of certain health-related goods (24 in total) such as nebulizers, ventilators, blood pressure monitors, hospital beds, vital signs monitor, among others.
- Extension of the term for the update process in the Special Tax Regime until June 30, 2020

4. Resolution 000022 of March 18, 2020 (DIAN – Suspension of terms)

The DIAN has suspended the terms in the administrative processes and actions, in tax, customs and exchange matters between March 19 and April 3, 2020, it also indicates that before the expiration of the established suspension period, decisions on the continuity of this measure.

Additionally, it establishes that there will be no public attention in the DIAN offices.

5. District Decree 093 of March 25, 2020, Secretary of District Finance – Bogota – Territorial taxes

The District Tax Calendar was modified (Property Tax – Vehicle Tax – payment dates are discounted) and procedural terms are suspended against the SHD.

6. Superior Council of Justice – Suspension of Judicial Terms – Tax processes before the jurisdiction.

The Superior Council of Justice suspended judicial terms throughout the country initially from March 16 to March 20, 2020, and later between March 24 and April 3, 2020.

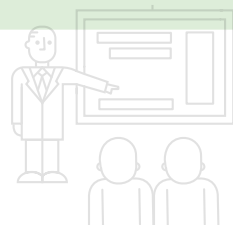
7. Decree 461 of 2020 issued by the Ministry of Finance and Public Credit

Territorial Taxes. Territorial Authorities were enabled to re-allocate the income of specific purpose to face the State of Emergency caused by COVID-19.

Territorial Authorities were enabled to re-allocate the income of specific purpose to take the necessary actions to face the State of Emergency declared by the Government and to reduce the tax rates of their territorial entities.

8. Resolution 000027 of March 25, 2020, issued by the Colombian Tax Authority – DIAN)

Dates for the presentation of Magnetic Media – Exogenous Information was deferred.



COSTA RICA



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

1. Moratorium on Value Added Tax:

- a. Tax filings for the months of April, May and June 2020 must be presented on the established dates.
- b. Payment of the VAT tax can be made as follows:
 - No later than December 31, 2020
 - Enter into a payment plan with the tax authorities

2. Elimination of partial advance payments of Income Tax:

- a. Exempts from partial advance payments of Income Tax scheduled for the months of April, May and June 2020.
- b. This exemption does not include the advance payment scheduled for March 2020.
- c. Does not apply to those who must income tax during those months because they have a especial fiscal period.

3. Moratorium on Consumption Tax:

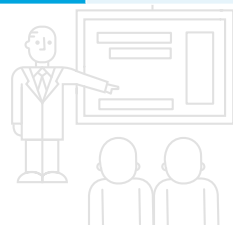
- a. Tax filings for the months of April, May and June 2020 must be presented on the established dates.
- b. Payment of the Consumption taxes can be made as follows:
 - No later than December 31, 2020
 - Enter into a payment plan with the tax authorities
- c. Beginning on January 1st, 2021, taxpayers that did not pay taxes due or do not have a payment plan approved by the tax authorities, will be subject to corresponding interest, fines and sanctions.

4. Moratorium on Customs Duties:

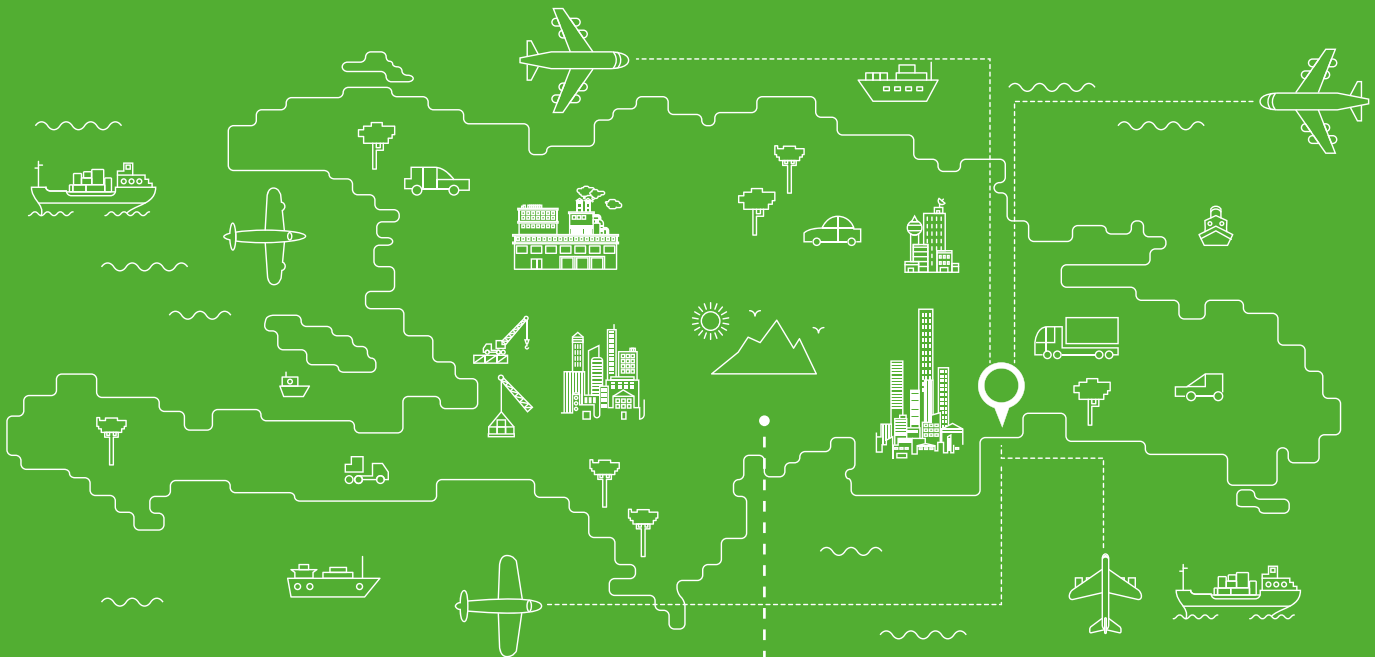
- a. Importers registered as taxpayers will be able to nationalize merchandise without the payment of duties, for the months of April, May and June 2020.
- b. Agricultural and fishing products are excluded, since they will continue under their normal exonerated regime.
- c. Payment of duties can be made as follows:
 - No later than December 31st, 2020.
 - Enter into a payment plan with the tax authorities
- d. Beginning on January 1st, 2021, taxpayers that did not pay taxes due or do not have a payment plan approved by the tax authorities, will be subject to corresponding interest, fines and sanctions.

5. Exoneration of Value Added Tax on commercial rental income:

Rent of locales used for commercial activities is exonerated of VAT for the months of April, May and June 2020, as long as both the landlord and renter are registered as taxpayers with the Tax Authorities under either the general regime or especial agricultural regime.



Dominican Republic



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

- Payment agreements of up to 4 installments to pay VAT for the fiscal period February 2020, without the application of the compensatory interest.
- Reduction of the quotas of all the payment agreements in force as of March 21, 2020, to their current value.
- Regularization facilities for those taxpayers that have quotas overdue to date, without penalty collection.
- Extension until May 29, 2020 for the presentation and payment of the following Income Tax Affidavit:
 - » Sworn Declaration of Income Tax for Individuals with Sole Owner Business. The normal presentation and payment date was 3/31/2020.
 - » Sworn Declaration of Income Tax and Asset Tax of Legal Persons (IR-2) with closing date December 31. The normal presentation and payment date was 4/29/2020.
 - » 1st. payment fee of Tax on Assets of Individuals with Sole Owner Business. The payment date was 3/31/2020.
 - » 1st. payment fee of Tax on the Assets of Legal Entities with a closing date of December 31. The payment date was 4/29/2020.
 - » Informative Sworn Declaration of Non-Profit Institutions with closing date December 31. The payment date was 4/29/2020.
- Exemption from the payment of the Income Tax Advance on April 15 and May for all taxpayers, except large taxpayers, excluding those with impediments to operate during the state of emergency ordered by the Executive Power through Decree No. 134-20 dated March 19th., 2020, namely: Airports, airlines, travel agencies, Construction activities and hardware stores, Hotels, tour operators, passenger transport and complementary services, Gambling, Sale and repair of vehicles, parts and parts, Trade in household appliances, clothing, footwear, beauty articles, toys and personal property, and Entertainment services: shopping malls, cinemas, gyms and fast food.
- Agreement to pay four equal and consecutive installments to pay the 2019 income tax of natural and juridical persons, which will not be subject to the monthly compensatory interest.
- Extension for the presentation of the Informative Declaration of Operations Made with Related Parties (DIOR) with a closing date of September 30, postponing the deadline from March 30, 2020 to April 30, 2020.
- Extension for the declaration and payment of the Selective Consumption Tax on Fossil Fuels and Petroleum Derivatives (IH) and the Special Contribution on Liquefied Petroleum Gas (LPG), with a deadline of April 9, 16 and 23 for the April 23 and 30, respectively.
- Extension until June 30, 2020 of the validity period of the ITBIS exemption card for Free Zone Companies, for those with an expiration date of March 19, 2020.
- Three (3) month extension for the presentation and payment of the Tax on Gambling Casinos, Tax on slot machines, single tax on sports banks and Single tax on lottery banks.
- Postponement of thirty (30) calendar days from the restart of its operations, for the remission of the shipping formats and presentation of the monthly affidavits corresponding to the fiscal periods affected by the cessation of operations.

Expert's perspective:

Good measures, but they should also have given the same selective alcohol and tobacco consumption tax, as well as withholding of income tax on employees and third parties.

EL SALVADOR



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

On April 30th, when the 2019 Income Tax return presentation was due, Congress approved Decree No. 635, which in summary contained the following:

- Extend the deadline to file the Income Tax Return, until June 30th, for Large, Medium and Other taxpayers, including those not registered in VAT.
- Defer tax payment as follows: Large taxpayers can pay 30% of the Tax on said date and three monthly installments thereafter. On the other hand, Medium, Others and those not registered in VAT as tax contributors, could pay 10% and 6 monthly installments onwards.
- Delay advanced income tax payment, during the monthly periods of April, May and June, however, the obligation to file the corresponding tax forms and pay income tax Withholdings persists.
- Payment made by Large Taxpayers regarding the Special Contribution to Citizen Security, is extended until June 30th, in a single installment.
- Extend the term for appointing the Tax Compliance Auditor and presenting the Tax Compliance Audit Report, which is regularly until May 31st for both events.
- Extend for two more months the Formal Obligations that were due in March, April and May

Expert's perspective:

Said measures would have contributed considerably to momentarily resolve the Liquidity problems of Taxpayers and Tax Compliance Auditors, for the execution, finalization and presentation without further delay, of the Tax Compliance Audit Report. But on May 4th, 2020, the President VETOED said Decree because he considered it to have defects of unconstitutionality, which has now generated a real legal uncertainty, especially since the vetoed Decree was promoted on the initiative of the same Executive through his Minister of the Government Tax Department.

GUATEMALA



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

1. The deadline for submitting the following tax obligations was extended to April 15, 2020:
 - a. 2019 Annual Income Tax Declaration, together with the audit report and transfer pricing annexes (if applicable).
 - b. February 2020 monthly Value Added Tax (VAT) Declaration.

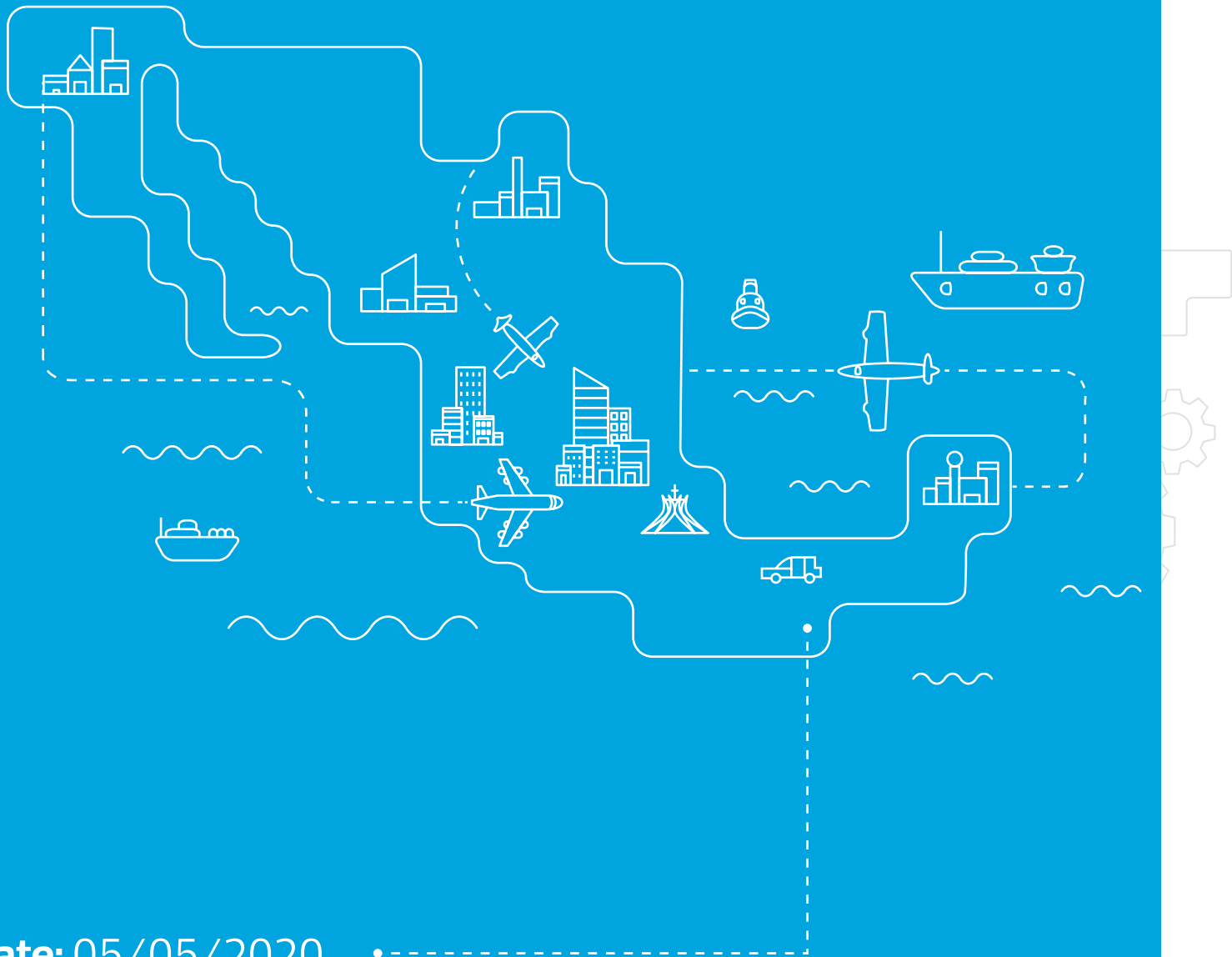
The original deadline for the previous obligations was March 31, 2020.

2. The Withholding Income Tax declarations corresponding to March 2020 were extended to April 28, 2020.
3. The Withholding VAT declarations corresponding to March 2020, were extended to May 6, 2020.
4. Audit processes, or new audits, are suspended and will resume on April 15 of the current year.
5. Calculation of deadlines to meet information requirements, evacuate hearings, present recalls and other actions before the Superintendence of Tax Administration (SAT) are suspended and will resume the count from April 15 of the current year.
6. A decree of the Congress of the Republic was approved to protect the country from the effects of Covid19; regarding the tax issue, only the 3-month deferment of the Solidarity Tax payment for the second quarter of 2020 was included on the condition that taxpayers who take this benefit cannot dismiss any employee without just cause.

Expert's perspective:

There are no bottom-line benefits; only the deadlines of the fiscal obligations were extended helping in the process of preparing the declarations with more time.

MEXICO



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

Federal government.

- Economic Plan to reaffirm the construction of the three flagship projects (Santa Lucía airport, Tres Bocas Refinery and Maya Train).
- The plan to inject economic resources into PEMEX continues, as well as support for social programs, among others.
- Support for entrepreneurs and workers was limited: 1) loans of 25 thousand pesos on average to family businesses in the formal and informal sector; 2) VAT refund in a few days and 3) present an infrastructure investment plan to encourage the construction industry.
- Austerity measures in dependencies and entities of the Federal Public Administration (reduction of salaries, reduction of Christmas bonus, etc.).
- Extension of the filing of the 2019 tax return for individuals until June 30, 2020 and the possibility of paying the tax in six installments, which cause interest.
- Partial payment program with interest in social security and housing, elimination of fine and non needs to guarantee the tax credit.
- Suspension of deadlines before the initiation and conclusion of tax audits, faculties of verification for tax authorities, resolution of administrative lawsuits, amparos lawsuits, etc.

State government.

- Percentage of exemption from Payroll Tax and deferral of it's payment without surcharges.
- Percentage of exemption from the Lodging Tax and deferral of your payment without surcharges.
- Special incentive for micro, small companies to waive state and municipal tax surcharges.
- Extension to carry out vehicle verification.
- Subsidies and extensions for the vehicle ownership tax.

Expert's perspective:

Absolute disapproval of the Government's position by businessmen, professional expert unions and society in general, given the lack of proclamation of measures and economic and tax incentives to face the problem. Because all the announced measures generate a high financial cost.

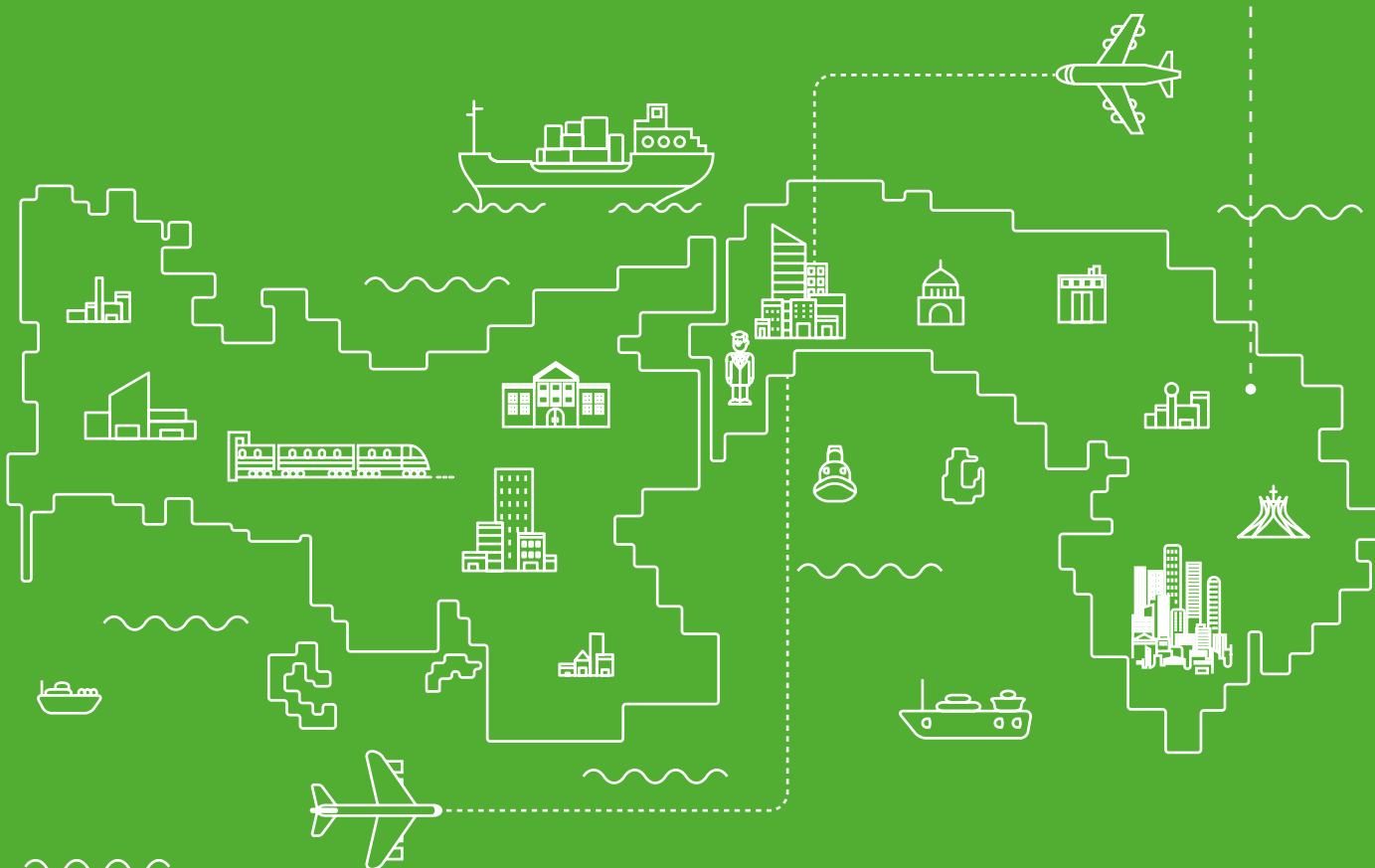
PANAMA

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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

Presentation: Returns can be submitted until May 30th. With no need to request an extension.

Payments: All taxes can be paid until July 17, including direct and indirect ones. Excludes taxes withheld at source (Property tax withheld by banks, Dividends, Remittances, ISR employees, VAT withheld from: non-residents, by the State and by local agents).

Calculation of estimated income tax return: The amount to be estimated for the fiscal period 2020 can be not less than 70% of the tax caused (according to the 2019 income) without being subject to investigation or verification by the DGI.

Payment of estimated income tax return: In two parts: September 30 and December 31.

Small, medium and micro-enterprises under the Law 33/2000: Expiration of benefits in 2019, you are granted one more year.

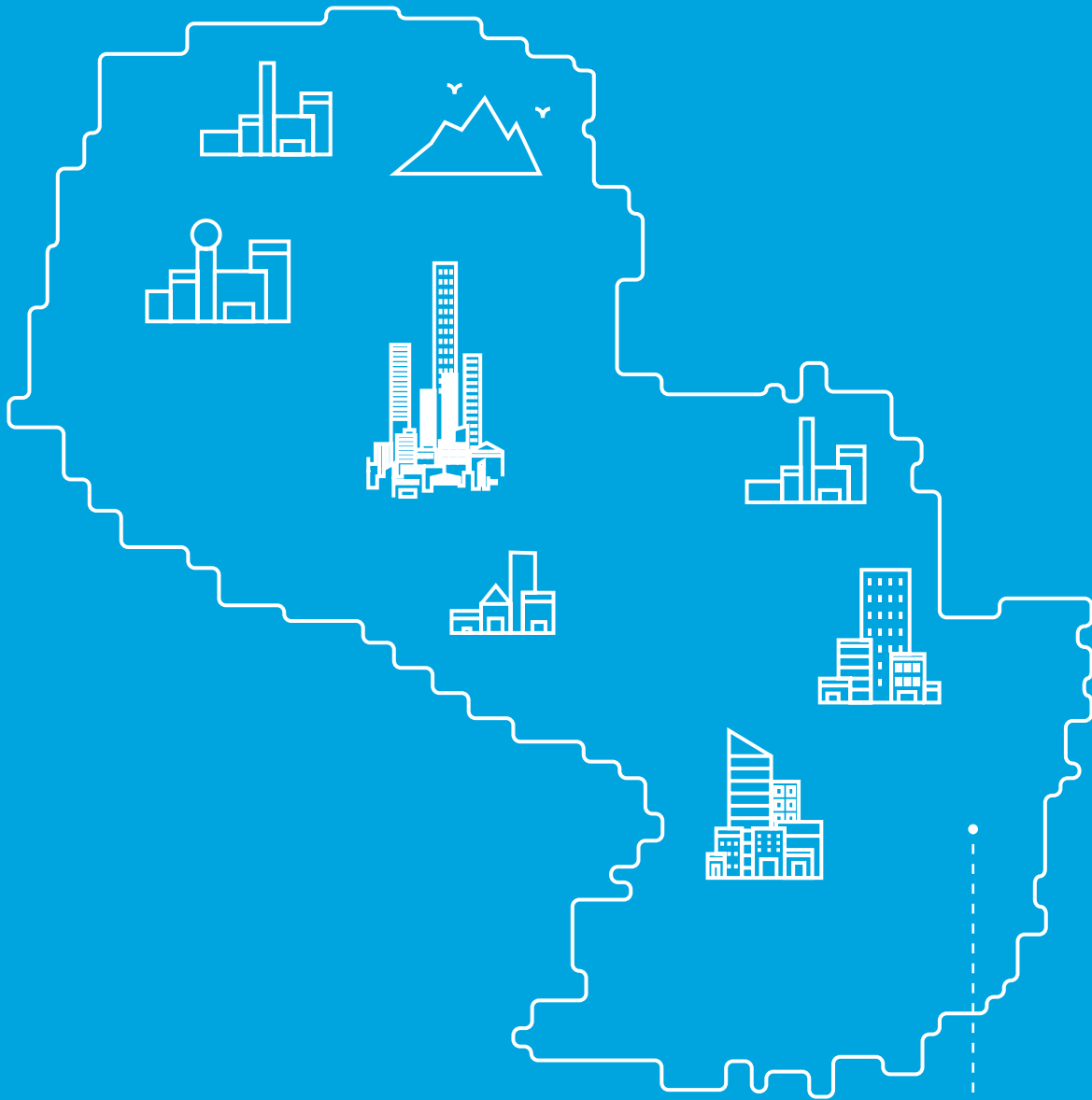
Charges to DGI and CSS: They can collect without good standing.

Formalities / Requests for applications: CAIR as an example, may be sent electronically.

Expert's perspective:

We confirm that the Tax Administration has elaborated a good plan for tax compliance, plan that provides benefits for Tax payers. Still, the plan is for the big companies, which are also tax exempted.

PARAGUAY



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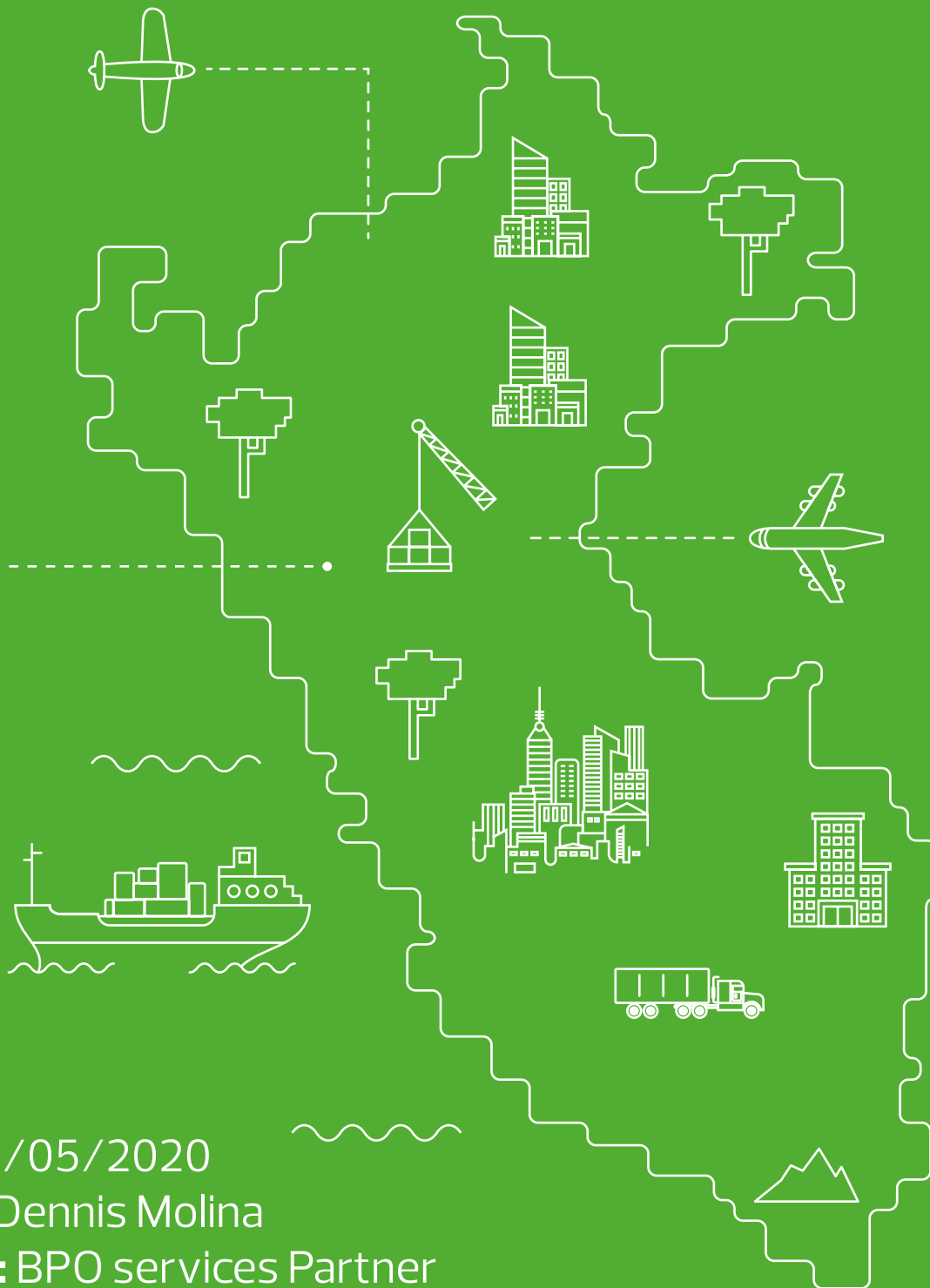
What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

- Exceptionally extend, until November 2020, the presentation of the External Tax Audit Report for those taxpayers with fiscal year-end as of 12/31/2019.
- Tax Compliance Certificates issued from March 16 to June 30 will be valid for 90 calendar days.
- Establish at one hundred and fifty million guaranies (G. 150,000,000) the amount from which the presentation of the Tax Compliance Certificate, the Certificate of Compliance in controversy or the Evidence of Not Being a Taxpayer before the administrative financial entities will be mandatory including cooperatives, to obtain and renew credits.
- Until May 31, the exceptional and transitory regime of Payment Facilities applies, for taxpayers of the Income Tax of Commercial, Industrial or Services Activities (IRACIS) and the Income Tax of Agricultural Activities (IRAGRO) for the Fiscal Year closed on December 31, 2019. In all cases, the following rules will apply: a) Minimum initial delivery equivalent to twenty percent (20%) of the debt. b) Annual financing interest rate of zero percent (0%). c) Up to five (5) monthly installments.
- Until June 30, 2020, no fines will be applied for breaches of formal duties, as contravention.
- In the context of the epidemiological emergency, VAT is reduced from 10% to 5% on the import and local sale of certain goods of sanitary necessity, carried out from March 20 to June 30 of this year.
- Extend, until July 2020, the due dates for the payment of the first advance of the Corporate Income Tax (IRE), corresponding to Fiscal Year 2020. In the case of the payment of the second, third and fourth advance of the same tax, and for taxpayers who pay by the General Regime, corresponding to Fiscal Year 2020, the payment terms are extended from July to September, from September to November and from November to December.
- The communication period in the Administrative Registry of Legal Entities and in the Administrative Registry of Final Beneficiaries has been modified: For legal entities and structures established before November 29, 2019 and with termination of registration number 0-3, whose term is already expired, they will have the opportunity to comply without application of fines or penalties, until June 30; for the other terminations of the registration number, the term is 45 business days after its constitution.
- The expiration or prescription periods of tax credits in favor of the taxpayer are suspended from March 27, 2020 until December 31, 2020.
- Until July 31, the deadline for the presentation of the Financial Statements of IRACIS and IRAGRO taxpayers who pay their taxes by general regime is exceptionally postponed. The deadlines for filing for those taxpayers with a closing date of April and June 2020, remain unchanged.
- Until August 31, 2020, an exceptional and transitory regime of payment facilities has been established for VAT taxpayers, for operations carried out in the internal market and products from the importation of goods (VAT Customs). A minimum of 20% of the debt must be paid, the annual interest rate for financing is zero percent, up to 4 monthly installments.
- The Entity Generating Dividends, Profits or Returns (EGDUR) that have the obligation to hold an assembly and have decided to distribute dividends, profits or returns in fiscal year 2020, may generate the respective IDU withholding receipt from 1 and until 31 August 2020. The payment of the IDU must be made in the month of September 2020. Regarding the EGDUR that pay or remit to the owners, partners or shareholders before August 1, 2020, they must retain and issue the proof of IDU withholding on the occasion of payment or remittance and will enter the corresponding Tax

Expert's perspective:

The Tax Administration has done a good job taking into consideration the concerns of taxpayers in general, the payment facilities established together with the exceptional deadlines for filing taxes, thus giving support to the economy.

PERU



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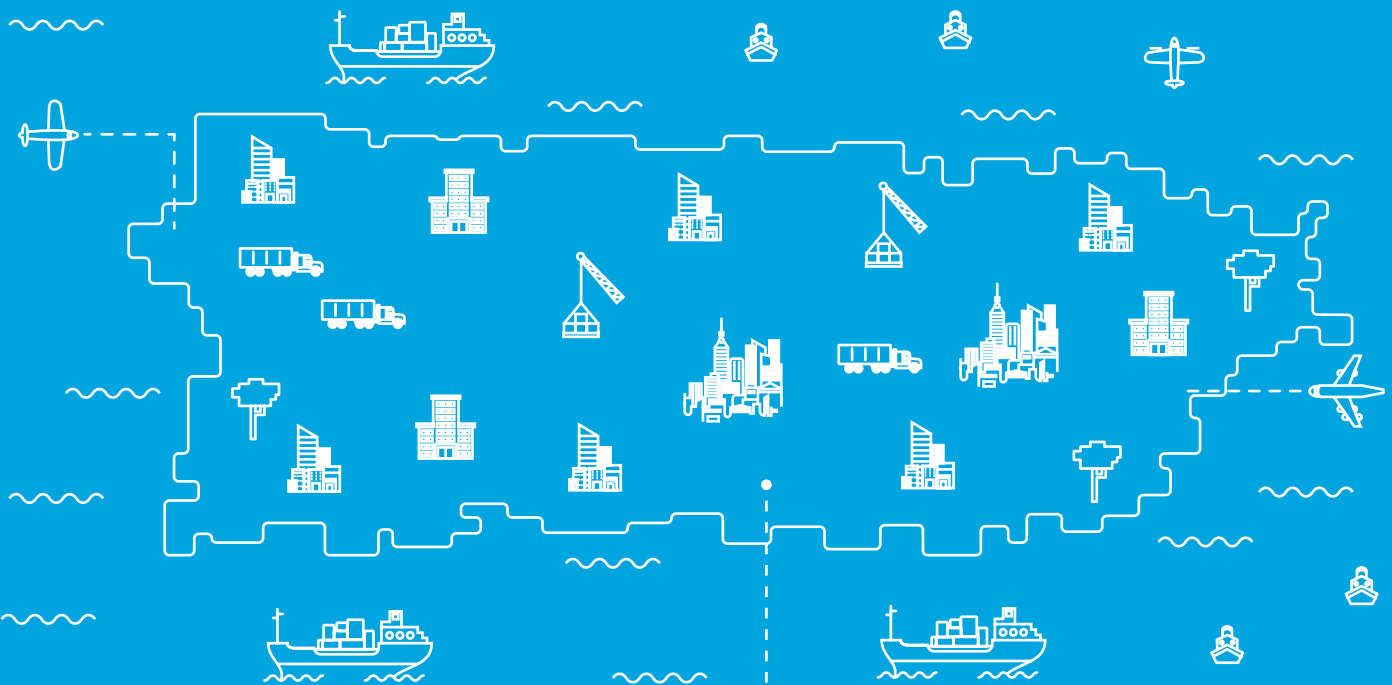
What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

1. Due dates extension granted for:
 - February 2020 monthly tax obligations when the taxpayer has up to 2,300 tax units (USD 2,849,558 approx.) of net income in FY 2019.
 - 2019 Income Tax return and March, April, May and June monthly tax obligations when the taxpayer had up to 5,000 tax units (USD 6,194,690 approx.) of net income.
2. New calculation method to suspend or modify the prepayment income tax to file and pay for April, May, June and July.
3. No tax fines would be applied during the National Emergency State COVID-19.
4. Regulations are established for home office during the National Emergency State COVID-19.
5. Employer is allowed to apply to the employees' situation the following: paid working leaves, vacations, working hours reduction, salary reduction.
6. Employer is allowed to apply a perfect suspension of activities (a temporary layoff) to its employees.
7. Private pension system payments are suspended for salaries of April 2020.
8. Unemployment Insurance (CTS for the Spanish acronym) can be partially requested for workers with salaries up to USD 682 approx.
9. State subsidy of 35% of the sum of the gross monthly salaries in the payroll that do not exceed PEN 1,500 (USD 442 approx.).
10. It is created a financial program named "Reactiva Peru". Based on this program the Peruvian government is guaranteeing financial credits up to an amount of PEN 10,000,000 (USD 2,949,853 provided by financial entities to the company).
11. Approval of guidelines and protocols applicable to reactivate the companies according to its business activity.
12. Approval of safety and health standards to protect the employees' health in the working places.

Expert's perspective:

Peruvian government prioritize the health protection in quarantine over the business economy continuity. Tax regime mainly differs due dates and only has established a new method to suspend or reduce the prepayment income tax payment. the labor tax regime is allowing to reduce the payroll costs mainly through the application of the temporary layoff regimen that requires to be supported in order to pass a possible inspection to be performed by the labor authority. It has begun the economic reactivation and the fulfillment of the safety and health standards will be a massive investment for the company that requires the use of offices or factories.

PUERTO RICO



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

The PR Department of Treasury has extended all due dates for filing and payment of returns for different taxes. Basically, now all tax filings and payments are due between June 15 and July 15, 2020. Additionally, the Treasury has extended the expiration date for certain licenses and permits.

With the purpose of providing more cash liquidity to merchants, the Treasury has suspended the requirement for the 10% tax withholding at source on certain payments, the sales tax on reseller chain, and also the sales tax on the purchase of essential articles and food. Additionally, it has established a program for the application of reimbursements and credits against outstanding tax liabilities.

As an additional measure, the PR Treasury Department eliminated income taxes on certain payments, including interest-free loans provided by an employer to employees and contractors for assistance during the Covid-19 emergency. Furthermore, special tax rates were authorized for distributions from Retirement Plans made to cover expenses that an individual need to incur to correct losses or damages suffered by the emergency.

Likewise, the PR Treasury has established a deferral on payment plans, and is allowing flexible payment arrangements for 2019 income tax liability.

The PR Treasury Department has started to issue stimulus payments for independent contractors and self-employed, Small and Medium size companies, nurses, fireman, and police officers.

Expert's perspective:

All businesses and individuals in Puerto Rico have been severely impacted by the mandatory lockdown established by the government due to COVID-19. In an island still recovering from Hurricane Maria and multiple earthquakes, the measures established by the government were both to preserve the productive capacity of the economy and the welfare of workers. The adopted measures help to mitigate some of the concerns merchants have, especially when they do not want to fall into noncompliance. At the same time, the measures provide some liquidity to our merchants. Notwithstanding, due to the magnitude of the economic repercussions caused by the pandemic, we understand that additional and more effective economic measures must be approved for our local businesses.

UNITED STATES OF AMERICA



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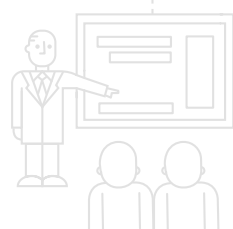


What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

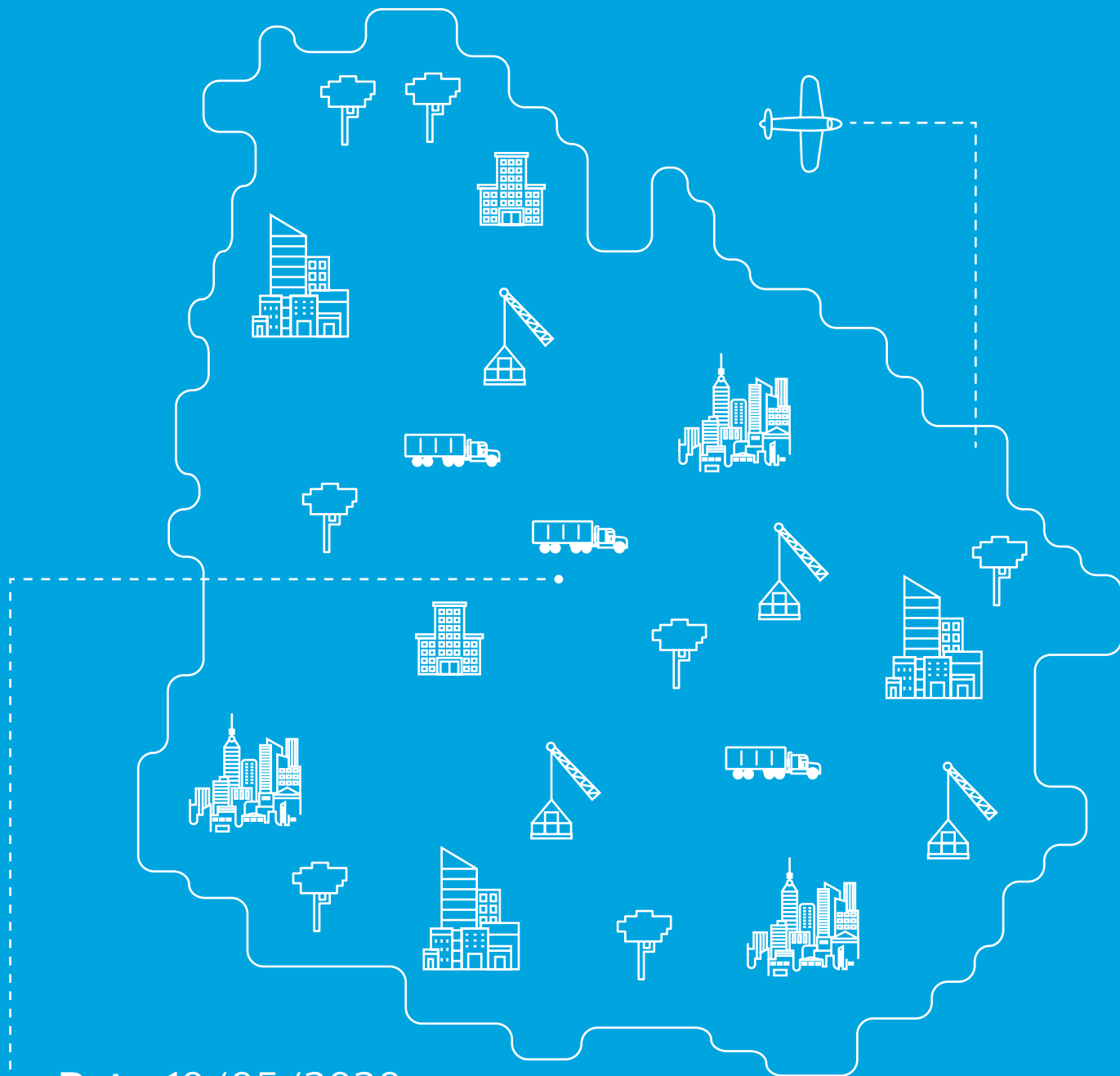
- Self-sheltering order is extended through June 1, 2020. Some states have commenced reactivations progressively
- Automatic extension to the filing due date for 2019 federal income tax returns, from April 15 to July 15, 2020. Several states have followed suit
- Deferral of the application of the Excess Business Loss of US\$ 500,000 until 2020. Certain related rules of operation have been published
- The economic assistance and stimulus package was increased by US\$ 6.7 Billion, which are destined to offer the following lending alternatives:
 - Loans for working capital of up to US\$ 2 Million, with interest rates of 3.75% for small businesses (up to US\$ 7.5 Million in revenue), and 2.75% for non-for profit organizations
 - Loan of up to US\$ 10 Million, provided it is used to pay salaries (excluding employees with annual salaries of US\$ 100 Thousand or more), as well as business-related rent or utilities. The interest rate on this loan is 1%
 - Loan between US\$ 500 Thousand and US\$ 25 Million, with preferential repayment and interest terms. This type of loan is available for certain companies with up to 15 Thousand employees, or with revenue of US\$ 5 Billion or less, obtained during 2019
- Payments of US\$1,500 to individuals with annual income of up to US\$ 75,000 (US\$ 150,000 for joint filers), and US\$ 500.00 per each child
- Financial aid to certain industries, such as the airline industry
- Emergency relief fund from the federal government of US\$ 500 Billion, to aid state, municipal and local governments
- Certain local tax incentives and credits (vary from state to state)
- Under certain circumstances, the term for a foreign individual to become subject to U.S. income tax is suspended, if he or she are forced to remain in the country due to travel restrictions

Expert's perspective:

In general, the measures have been well received, albeit late. There have been logistical, legislative and technological delays in the implementation of the package



URUGUAY



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What measures has the government of your country taken to help businesses and/or the local economy during the Covid-19 situation?

- Deferred payment of the Minimum VAT (Literal E) month charge 02/2020 and 3/2020, whose maturities were March and April, which will be paid in six equal installments, consecutive and without interest payment, from the month of May.
- Expiration for submission of the annual tax return of IRAE, IP, VAT, and ICOSA has been extended for the fiscal years ended December 31, 2019, from April to May.
- For certain taxpayers and depending on the level of income, quotes were granted for the payment of the annual balances of IRAE, IP and ICOSA for fiscal years ended 12/2019, 01/2020 and 02/2020. The same schedule applies to the return and payment of the paid dividends.
- A special unemployment benefit regime is created that covers all dependent workers with fixed or variable monthly remuneration who are partially suspended due to a reduction in the number of monthly work days or a reduction in the total hours of their usual hours in a percentage of 50% or more of the legal or usual. This special unemployment insurance is valid until May 31, 2020.
- It is established that those employees over 65 years of age who must remain in isolation, and for the period until May 31, are included in the health insurance. Those workers who can carry out their usual tasks from their home are excluded.
- 40% reduction in personal and employer social security contributions for March and April for owners of companies with less than 10 employees. A financing of the remaining 60% is established in six installments without interest, corresponding to the payment of the first installment in June 2020.
- The temporary or permanent entry or exit is authorized, free of all taxes, and subject to a simplified customs procedure, of a series of sanitary merchandise destined to help population's victims of an emergency or catastrophe situation.
- The "Emergency Health Tax COVID-19" is created, which taxes nominal remuneration and benefits, in cash or in kind, of personal services provided to the Government, Departmental Governments, Autonomous Entities and Decentralized Services, and in general Government property entities at a staggered rate of 0 to 20% for salaries greater than approximately USD 2,800 and for the months of April and May.
- An additional to the Social Security Assistance Tax (IASS) is also created, which will tax the income corresponding to retirements, pensions, military and police retirements, and similar passivity benefits, according to a staggered rate of 0 to 20% for benefits greater than approx. USD 2,800 and for the months of April and May.

Expert's perspective:

In April the Government has implemented measures trying to contemplate companies of various sizes, including payments of annual tax balances. However, the economic crisis affecting the country will be difficult to overcome and the Government must focus its efforts on promoting investment and generating employment.

At the time of producing this document, governments of Venezuela and Nicaragua have not announced fiscal or economic measures regarding the Covid-19. We invite you to follow closely our updates on these topics, which will be published according to the evolution of the events.

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