



COVID-19

Legal Insights no. 24

Regulation of the procedures concerning the attribution of the support measures and social benefits under the crisis related to the "COVID-19 crisis".

The regulation number 94-A / 2020 sets forth the procedures for the attribution of the exceptional financial aid to salaried employees, the exceptional financial aid for the reduction of the normal activity of self-employed workers and for the maintenance of employment contracts in a situation of business crisis, as well as for the deferral of the contributions of self-employed workers and the recognition of the right to an extension of deadlines for the payments to the social security system.

Base remuneration for the purposes of the exceptional support

With regards to the exceptional support for salaried employees, the base remuneration declared in March 2020, referring to February 2020, shall be considered; if there is no base remuneration declared in that month, the value of legal minimum guaranteed monthly remuneration shall be considered.

In situations where the employee has more than one employer, the maximum limit (in the amount of € 1,905.00) is applicable to the total base remuneration paid by the various employers, being the support proportionally distributed, according to the base remuneration declared by each employer.

Extraordinary support in the case of reduction of the economic activity

For the calculation of the extraordinary support for the reduction of the economic activity, the remuneration to be considered shall correspond:

- a) For the self-employed workers, to the average of the tax base contribution of the months in which there was a record of remuneration during the 12 months period immediately preceding the date of the application;
- b) For managing partners, the base remuneration declared in March 2020 for the month of February 2020 or, if there is no base remuneration declared in that month, the value of the social support index (IAS).

Extraordinary support for maintenance of employment contracts

With regards to the extraordinary support for maintenance of the employment contracts, the amount of the contribution includes the remuneration benefits usually declared to the social security authorities and received by the employee, relating to the base remuneration, monthly premiums and regular monthly allowances.

The inclusion of new employees during the period in which the extraordinary support for the maintenance of employment contracts is in force, in addition to those identified in the initial request, is made through the submission of a new form and corresponding appendices, and the payment of the financial support is granted for the remaining period of the measure.

Employers who have submitted requests for extraordinary support for the maintenance of employment contracts in a business crisis under the terms of Regulation No. 71-A / 2020, March 15, must complete the request by filling out the application related to the support, and submit such documents through the Direct Social Security, as otherwise the support will not be granted.

Extraordinary extension of deadlines for payments to the Social Security

The extension of unemployment benefits and all benefits of the social security system that guarantee minimums of subsistence shall be automatically carried out, being applicable to benefits which concession or renewal period ended in March or ends in April, May and June 2020, inclusive.

Said extension is not relevant for the purposes of the payment of other unemployment benefits nor for the purposes of the registration of remunerations.

Payment method

The payment of (i) the exceptional support for salaried employees, (ii) the extraordinary support for the reduction of economic activity of self-employed workers and (iii) support for the maintenance of employment contracts, shall be made by bank transfer.

In the case of domestic service employees, the financial support shall be directly paid to the beneficiaries.

Supervision

For the purpose of proof of the facts related to the request for financial aid or for the corresponding extensions, the beneficiary entities must store the relevant information for a period of three years.

In the case of domestic service employees, the declaration of each employer that attests the lack of provision of work and the lack of payment of the total remuneration must be stored during the same period.

Effects

Regulation number 94-A / 2020 takes effect as long as the support remains in force, since the following dates:

- a) Since 9 March, regarding exceptional support to salaried workers and extraordinary support to the reduction of economic activity;
- b) Since March 12, regarding the extraordinary extension of social benefits;
- c) Since March 27, regarding the extraordinary support for the maintenance of employment contracts.

This Regulation enters into force on April 17, 2020.

To access the full text of Regulation No. 94-A / 2020, please access the following link:

<https://dre.pt/application/conteudo/131593874>

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