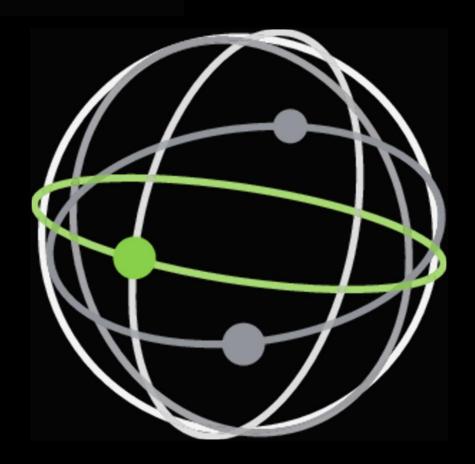
CTSU Sociedade de Advogados Member of Deloitte Legal network



COVID-19 Legal Insights no. 45

Tax measures to support micro, small and medium-sized companies ("PME")

On July 31, 2020, Law No. 29/2020 was published, which approved a set of tax measures to support entities classified as PMEs or as cooperatives, namely:

1) The temporary suspension of the payment on account of Corporate Income Tax (IRC);

Entities classified as PMEs or as cooperatives, may be exempted from the payments on account provided for in articles 105, 106 and 107 of the IRC Code, without prejudice to being able to make such payment, under the terms and within the deadlines defined by law.

2) The early return of unused special payments on account, before the end of the period defined in paragraph 3 of article 93 of the IRC Code, as from the first following tax period;

These entities may also request, in 2020, the full reimbursement of the part of the special payment on account that was not deducted until 2019, with no need to comply with the defined period of 90 days resulting from the general regime provided for in the IRC Code.

3) A maximum period for the effective refund of VAT, IRC and IRS, when the result of withholding payments on account or settlement is greater than the tax due.

When the amount of withholding tax payments on account or VAT assessments is greater than the tax due, the refund is made within 15 days after the taxable person submits the respective declaration for the following taxes: VAT, IRC and IRS.

This law entered into force on August 1, 2020 and is effective until the end of the year in which these exceptional and temporary measures cease. Law No. 29/2020, of July 31 is yet to be translated into English, but to access its full original text, please click here.

For further information, please contact:

Susana Soutelinho Jorge Costa Martins

Tax Law Tax Law

Email: jcmartins@ctsu.pt

Av. Eng. Duarte Pacheco 7, 7.º piso 1070-100 Lisboa Praça do Bom Sucesso, 61, Piso 13, fração 1309 4150-146 Porto

Tel: (+351) 21 924 50 10

geral@ctsu.pt www.ctsu.pt

If you do not intend to receive these communications, you may oppose, at any time, to the use of your data for these purposes, by sending a written request to the following email address: geral@ctsu.pt. CTSU also ensures the right to access, update, rectify and delete, as per the applicable law, upon written request sent to the above mentioned email address. This communication contains only general information, therefore it is not an advice nor a provision of professional services by CTSU. Before any act or decision which may affect you, you should seek advice from a qualified professional. CTSU is not liable for any damages or losses suffered as a result of decision-making based on this communication.

CTSU - Sociedade de Advogados, SP, RL, SA is an independent law firm member of Deloitte Legal network. "Deloitte Legal" means the legal practices of Deloitte Touche Tohmatsu Limited member firms or their affiliates that provide legal services. For legal and regulatory reasons, not all member firms provide legal services.