

## Newsletter: Support measures for enterprises in Belgium as a result of the impact of the Coronavirus (COVID-19)

Brussels 24 March 2020

The current Corona crisis is impacting everyone. Also companies cannot escape the consequences and many of them see their financial health compromised.

Governments are developing a host of measures whose aim is to support enterprises who face difficulties as a result of the efforts to hinder the spread of the virus. It is of utmost importance to stay well informed.

To date, the federal plan for social and economic protection comprises the following two components:

**The first component** aims to (1) enable affected enterprises to retain their employees by temporarily making those employees unemployed, and (2) to provide for arrangements for the distribution, deferral and exemption from payment of social security contributions, withholding tax and social contribution payments. This section includes the following measures:

- The possibility of and extension of temporary unemployment due to force majeure;
- An increase in temporary unemployment benefits;
- The possibility to enjoy a payment plan with regard to:
  - o employer social security contributions for the first and second quarters of 2020;
  - o VAT, with the exemption of fines;
  - o withholding tax on earned income, with the exemption of fines; and
  - o personal income tax / corporate income tax
- Reduction of advance payments for self-employed persons;
- Postponement or exemption from payment of social security contributions for the self-employed; and
- Flexibility in the execution of federal public procurement.

Detailed information can be found on the following website:

<https://economie.fgov.be/nl/themas/ondernemingen/coronavirus/informatie-voor-ondernemingen/economische-verliezen-beperken/coronavirus-eerste-luik-van>

**The second component** adds hereto and addresses specifically:

- 1) The warranting of the purchasing power of employees by an automatic granting and extension of temporary unemployment, without making a distinction between unemployment for economic reasons or reasons of force majeure;
- 2) Supporting the self-employed by assigning:
  - o A bridging right whereby a monthly allowance can be claimed from 1.291,69 euro to 1.614,10 euro;
  - o Deferral of tax and social security payments, with certain exemptions; and
  - o The freezing of certain taxes at municipal level

- 3) Supporting enterprises which were forced to close or face difficulties by providing sectoral support measures (hotel, retail, travel, event, agriculture and horticulture, federal public procurement,...)

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**In addition**, different regions provide for certain financial aid measures which you can consult on the following websites:

- Flanders Region: <https://www.vlaio.be/nl/begeleiding-advies/moeilijkhedencoronavirus/specifieke-maatregelen-mbt-het-coronavirus/coronavirus>
- Brussels-Capital Region: <https://1819.brussels/>
- Walloon Region: <https://www.1890.be/>

**In the event that supportive measures are not sufficient** to address the impact of the corona crisis, you may want to consider a reorganisation. We assist entrepreneurs in complying with legal formalities associated with various reorganisation possibilities.

In case of any questions or queries, do not hesitate to contact us at [info@billiet-co.be](mailto:info@billiet-co.be).