STUDY

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National tax measures in response to the COVID-19 crisis

Assessment of their impact and results lessons to be learned for future crises

Policy Department for Economic, Scientific and Quality of Life Policies
Directorate-General for Internal Policies
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National tax Measures in response to the COVID-19 crisis

Assessment of their impact and results – lessons to be learned for future crises

Abstract

This research paper provides a comprehensive analysis of the impact of national tax measures implemented in response to the COVID-19 pandemic, with the aim of ensuring an appropriate assessment and providing policy recommendations to effectively address future crises.

This document was provided by the Policy Department for Economic, Scientific and Quality of Life Policies at the request of the Subcommittee on Tax Matters (FISC).

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LIST OF ABBREVIATIONS

AT	Austria
BE	Belgium
BG	Bulgaria
CIT	Corporate income tax
CY	Cyprus
CZ	Czechia
DE	DE Germany
DK	Denmark
EC	European Commission
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
EU	European Union
GDP	Gross Domestic Product
HR	Croatia
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia

MT	Malta
NGEU	NextGenerationEU
NL	Netherlands
OECD	Organisation for Economic Co-operation and Development
PIT	Personal Income Tax
PL	Poland
pp	Percentage points
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia
SSC	Social security contributions
UN	United Nations
VAT	Value-added tax

EXECUTIVE SUMMARY

Background

In the face of the economic challenges emerging from the COVID-19 pandemic, the European Union (EU) and its Member States employed a range of measures to mitigate the economic impact of the crisis. The EU played a pivotal role in coordinating these efforts, using the funds allocated from the Recovery and Resilience Facility. To access these funds, Member States were required to develop national Recovery and Resilience Plans (RRPs) that aligned with specific criteria, including adherence to country-specific recommendations (under the European Semester for economic policy coordination), job creation, and overall economic, social, and institutional resilience. Notably, tax measures were integrated into the national RRPs as an essential component of the recovery strategies. Indeed, to mitigate the socio-economic impact of the crisis, EU Member States implemented various fiscal measures. These policies aimed to provide immediate relief, support economic recovery, and ensure the stability of businesses and individuals during these challenging times.

This study will consider a wide range of tax measures employed by EU Member States, including, but not limited to, cuts in both tax bases and tax rates, tax reliefs, exemptions, deferrals, and other supportive mechanisms. It will explore the specific objectives, scope, and targeted beneficiaries of these measures, considering the diverse economic frameworks and fiscal capacities of the Member States.

Aim

The study has three main objectives. At first, it provides synthetic overviews of national tax measures implemented in response to the COVID-19 economic crisis across the EU Member States, offering both country-specific data and aggregates for the entire EU-27. This provides a comprehensive understanding of the tax measures adopted at the national level. Importantly, the study examines whether tax measures were designed and implemented as temporary or permanent solutions, as the use of permanent tax measures in response to a temporary crisis may have implications for EU economic policy.

Secondly, the study assesses the design of the presented national tax measures and analyses their likely impact on key economic factors such as competitiveness, purchasing power parity occupation and income inequality. By evaluating the effectiveness of the tax measures, the study aims to provide insights into their impact on economic recovery.

In the last section, the study formulates policy proposals from the conducted tax measures, evaluating their adequacy as economic policy responses and their potential applicability in responding to future crises. It identifies conditions under which these measures can serve as examples for effective crisis management and highlights areas where improvements in design or implementation are necessary.

Overall, this study provides a comprehensive analysis of national tax measures that were implemented in response to the COVID-19 crisis in the EU. By examining their structure, impact, effectiveness, and suitability for future crises, the study aims to contribute to evidence-based policymaking and inform decision-makers at the national and EU levels.

Key Findings

The tax reforms implemented by EU Member States to address the economic impact of the COVID-19 pandemic can be summarised by the following key trends:

- Personal income taxes (PIT): Reforms focused on permanent changes to the tax rate, both decreases and increases, as well as temporary reductions in the tax base. These measures primarily targeted taxes on labor. Additionally, temporary extensions and deferrals of payment deadlines were adopted;
- Social Security Contributions (SSC): The main trend was a decrease in the SSC tax rate, while a few countries opted for permanent increases in the tax base. Some countries also introduced tax benefits. Similar to other tax categories, temporary deferrals on tax payments were commonly implemented, often tailored to specific sectors or aimed at supporting employment;
- Corporate taxes: Changes to the tax base, decreases and tax benefits in particular, have been the most popular measure regarding corporate taxes. Ten countries decreased the tax rate on firms. Thirteen countries adopted deferrals of payments and three cancelled some fiscal duties; and
- VAT, other indirect taxes and other taxes: The majority of countries decreased the Value Added Tax (VAT) tax rate, whereas 14 countries permanently increased the tax rate on other taxes, and 11 countries decreased it. There was a general trend of expanding the tax base and introducing tax benefits, mainly with the objective of promoting environmental sustainability and improving public health.

The insights derived from the analysis conducted on taxation trends and essential economic factors such as competitiveness, purchasing power, occupation and inequality can be summarised by the following key results:

- Competitiveness: Countries that implemented a greater number of policies to modify their tax systems exhibit higher competitiveness. More specifically, a decrease in fiscal pressure following the pandemic is positively linked to competitiveness. In this sense, tax base decreases appear to be the most successful measures;
- Purchasing power parity: From our analysis, we find no evidence that countries implementing a greater number of policy initiatives to modify their tax systems exhibit higher purchasing power parity. The study reveals a slightly negative association between the number of policies aimed at increasing the tax rate on personal income and purchasing power parity;
- Labor market: We find a positive association between the number of policies aimed at decreasing the fiscal pressure on personal income and the total level of employment. More specifically, cuts in personal income tax rates appear to be the most effective measures. Thus, targeted cuts in labour taxes may hold the potential to stimulate employment; and
- Inequality: The analysis identifies a slight correlation between the introduction of tax policies addressed at supporting families or increasing caregiving and a reduction in income inequality between over 65 individuals. At the same time, we find no correlation between the introduction of policies targeted at low-income actors and a decrease of at-risk-of-poverty individuals. Moreover, the analysis identifies a strong positive correlation between the number of policies aimed at family and caregiving and both female and male occupation.

1. CONTEXT

To understand the economic landscape in Europe prior to the COVID-19 pandemic, it is crucial to examine the taxation policies and practices that were in place during that time. This comprehensive overview aims to provide insights into the prevailing economic environment and tax trends that shaped the European economy before facing the unprecedented challenges posed by the pandemic.

The outbreak of the COVID-19 pandemic has presented EU Member States with unparalleled challenges. The impact of the pandemic on economies, particularly within the EU, has been profound. Governments implemented stringent lockdown measures and restrictions to combat the spread of the virus, leading to significant disruptions in economic activities. This resulted in a substantial contraction across various sectors, including retail, hospitality, manufacturing, and services, leading to a significant decline in GDP. Certain sectors were disproportionately affected, with industries heavily reliant on travel and face-to-face interactions, such as tourism, hospitality, and aviation, experiencing a severe blow. In response to the economic turmoil caused by the pandemic, governments across the EU swiftly introduced comprehensive and targeted support measures to alleviate the crisis's impact on businesses and individuals. However, these measures had implications for tax revenues, as fiscal resources were redirected to support firms, preserve employment, and safeguard healthcare systems.

Furthermore, changes in consumer behavior emerged as an additional factor influencing tax revenues. The pandemic accelerated the shift towards online shopping as individuals sought to minimize physical interactions.

Consequently, governments had to adapt their taxation systems to capture and account for this evolving landscape. It is important to note that the impact of the pandemic on tax revenues varied among EU Member States. Factors such as the structure of their economies, the effectiveness of policy responses, and the severity of the outbreak within each country contributed to the diverse range of effects experienced. As governments continue to navigate the ever-changing landscape of the pandemic, strategies aimed at strengthening tax policies to restore economic stability have become fundamental considerations.

1.1. Tax trends before the crisis

Private investment tax reforms. Several Member States within the EU have made changes to their corporate tax rates. From 2013 to 2018, the average corporate income tax rates for the EU-28 have decreased from 23.2% to 21.9%. Notably, Member States that traditionally had high corporate tax rates have been the ones lowering their rates. In 2018, Belgium, Estonia, and Luxembourg reduced their corporate income headline tax rates. Additionally, five other Member States (Greece, France, Netherlands, Sweden, and the United Kingdom) have either announced or already scheduled further cuts to their corporate income tax rates.

Efforts have been made to stimulate investment, including the implementation of simplified tax structures. Some countries have financed tax cuts by adopting measures to broaden their tax bases. Measures such as restricting loss reliefs and implementing anti-avoidance measures have been used as base broadening measures.

Reforms have also been implemented to embrace digitalization and address the collaborative economy. Member States have increasingly utilized digital integration to streamline and facilitate tax compliance. While this initially involved offering more digital services, there was a trend toward making their usage compulsory.

Employment-related tax reforms. In terms of PIT, the overall trend has been towards lower tax rates, although major reforms have been relatively limited in number. The Netherlands, for example, announced a PIT reform that would be implemented gradually between 2019 and 2020.

The objective of this reform is to reduce the overall tax burden on labor. To compensate for the potential loss of revenue, increases in other taxes were also announced.

Regarding social security contributions (SSC) rates, changes have occurred in both directions. Bulgaria experienced an average 3.5% increase in both employer and employee contributions, while Hungary continued its trend of reducing employers' payroll tax and offering conditional decreases if employers raise wages. Some reductions in labor tax or social contributions were specifically targeted at lower-income earners or specific groups. Lithuania and Latvia increased the maximum differentiated tax-free allowance, and Estonia introduced such an allowance that replaced the previous refund scheme but with significantly greater generosity. Portugal implemented PIT reforms aimed at reducing the tax burden on low to middle-income earners, including an increase in the number of tax brackets. Several Member States introduced measures targeted at specific groups, such as reducing PIT for older individuals to align with the treatment of younger workers in Sweden, introducing a social insurance contribution allowance on pensioners' income in Slovakia, and providing targeted exemptions from employer social contributions in Italy to incentivize the hiring of young people or employees in specific regions on permanent contracts. Regarding second earners, the Netherlands phased out the transferability to spouses of the income-dependent combination tax credit and the labor tax credit. Conversely, Latvia introduced an allowance for non-employed spouses.

Income inequality and social mobility. Reforms impacting the progressivity of tax systems have shown a mixed direction across Member States. It is important to consider that the initial level of progressivity in each country's tax system varies significantly. For instance, Estonia, Latvia and Lithuania, which have historically employed flat income tax rates and relatively low progressivity in their tax systems, have implemented measures to introduce some degree of progressivity into their personal income tax systems. These measures often take the form of allowances that target specific income groups. Additionally, Lithuania has introduced progressive taxation for expensive non-commercial real estate owned by individuals, which could further enhance the overall progressivity of the tax system. On the other hand, Italy, the Netherlands, and France have implemented tax policies that move in the opposite direction, potentially reducing progressivity in their tax systems.

The Netherlands, France, and Italy currently have relatively progressive tax systems. In the case of the Netherlands, a progressive tax mix is being gradually replaced by a new PIT reform that reduces the number of income brackets from four to two. Italy has implemented changes in taxing dividends and capital gains for individual shares. France underwent significant reforms in capital taxation that have implications for income distribution. The wealth tax was narrowed down to a tax on real estate wealth with the objective of promoting productive investment and attracting capital.

1.2. GDP and the economic recovery

The COVID-19 pandemic triggered a severe economic downturn and widespread job losses in early 2020, as government-imposed restrictions and fear of the virus confined people to their homes and forced businesses to close. In response, federal policymakers implemented substantial relief and recovery measures in 2020 and 2021 to support the economy and alleviate hardship. Surprisingly, the recovery in economic activity outpaced initial projections, proving to be stronger and faster than anticipated. During the initial phase of the pandemic, the real gross domestic product (GDP) experienced a sharp decline. Figure 1 highlights the EU 27 GDP growth rates before, during, and after the economic crisis.

However, the enactment of relief and recovery legislation in March and April 2020, along with the easing of certain economic restrictions in May, contributed to a notable rebound in GDP during the third quarter of 2020, although only partially recovering. Subsequent relief and recovery measures passed in December 2020 and early 2021 further bolstered the recovery efforts.

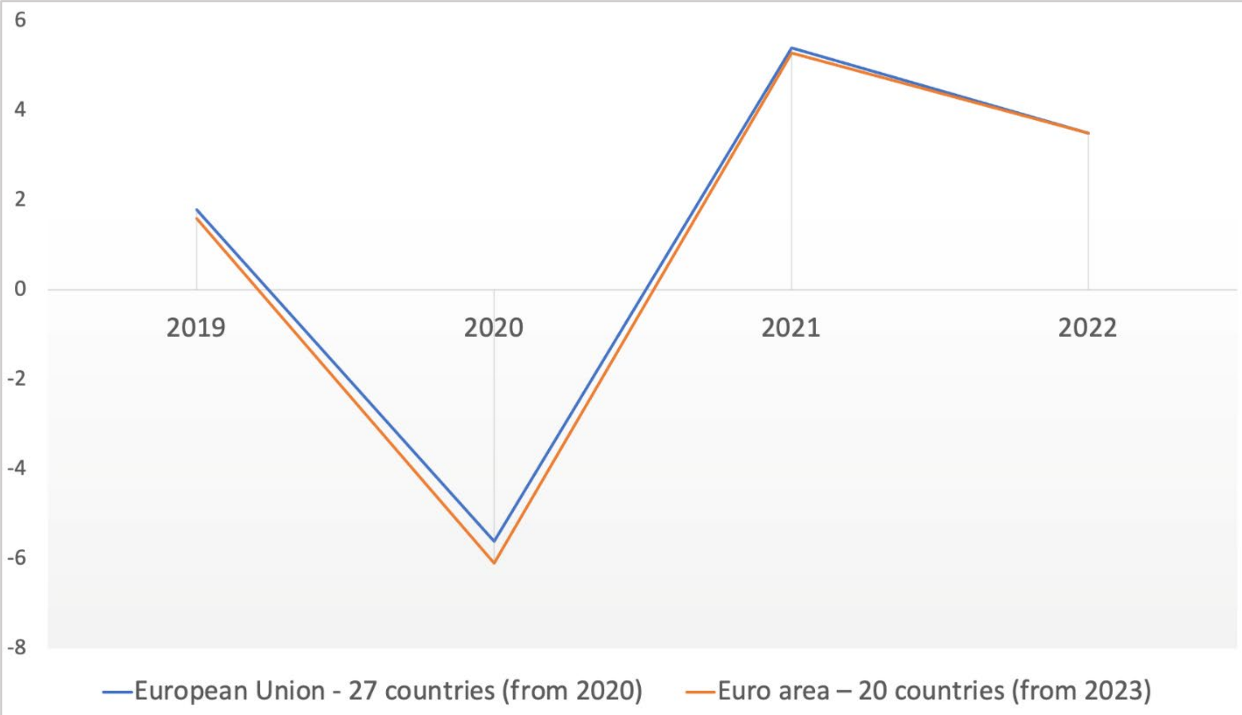
Indeed, in July, 2020, the leaders of the EU reached an agreement on a comprehensive package of EUR 1,824.3 billion (at 2018 prices), which combines the EUR 1,074.3 billion from the long-term budget for the period 2021-2027 and NextGenerationEU (NGEU), an extraordinary effort for recovery amounting to EUR 750 billion.

NGEU is an ambitious initiative launched by the EU to address the economic and social challenges arising from the COVID-19 pandemic. It represents a comprehensive and unprecedented recovery plan designed to revive and strengthen the EU's economy, promote resilience, and foster sustainable growth. With a financial commitment of EUR 750 billion, NGEU aims at providing substantial support to Member States and sectors heavily impacted by the pandemic. The funds have been (and will be) allocated through various mechanisms and programs, with a strong focus on investments in key areas such as sustainable infrastructure, digital transformation, research and innovation, and the green transition. The primary goal is to not only mitigate the immediate economic damage caused by the pandemic but also to pave the way for a more prosperous and resilient future for the EU. By strategically channelling resources towards sustainable and forward-looking initiatives, the plan seeks to drive the EU's recovery, stimulate job creation, and foster the transition towards a greener and more digital economy. As a consequence of the COVID-19 pandemic and the containment measures implemented by EU Member States, various economic indicators, such as the production index for industry, construction, services, and the trade volume index recorded unprecedented declines in March and April 2020. However, based on the latest available data, all four economic sectors have not only recovered to pre-crisis levels but have even surpassed them to varying degrees as of February 2022.

The industrial production index is a '*business cycle indicator that measures monthly changes in the price-adjusted output of industry*'. In the industrial sector, the production index stood at 105.5 points in February 2020 before experiencing a sharp decline by April that same year. Since then, it has rebounded and reached its pre-pandemic level, with a slight increase (+1.9%) recorded in April 2022. The total production in the construction sector declined by 25% from February to April 2020. However, by March 2021, it had nearly returned to pre-crisis levels. April 2022 showed a 1.8% increase compared to the situation before the pandemic.

Containment measures also had a significant impact on the production of services, with a decrease of over 16% observed from February to April 2020. However, by March 2022, the sector had rebounded, showing a 7.8% increase compared to February 2020. The total trade volume in the EU experienced a significant decline from February to April 2020 (over 20% decrease). Nevertheless, since June 2020, it has been on a positive trajectory, with a 4.8% increase recorded from February 2020 to February 2022.

Figure 1: Real GDP growth rates, EU and Euro area - 20 countries



Source: Authors' elaboration of data retrieved from Eurostat

1.3. Changes in the tax revenues

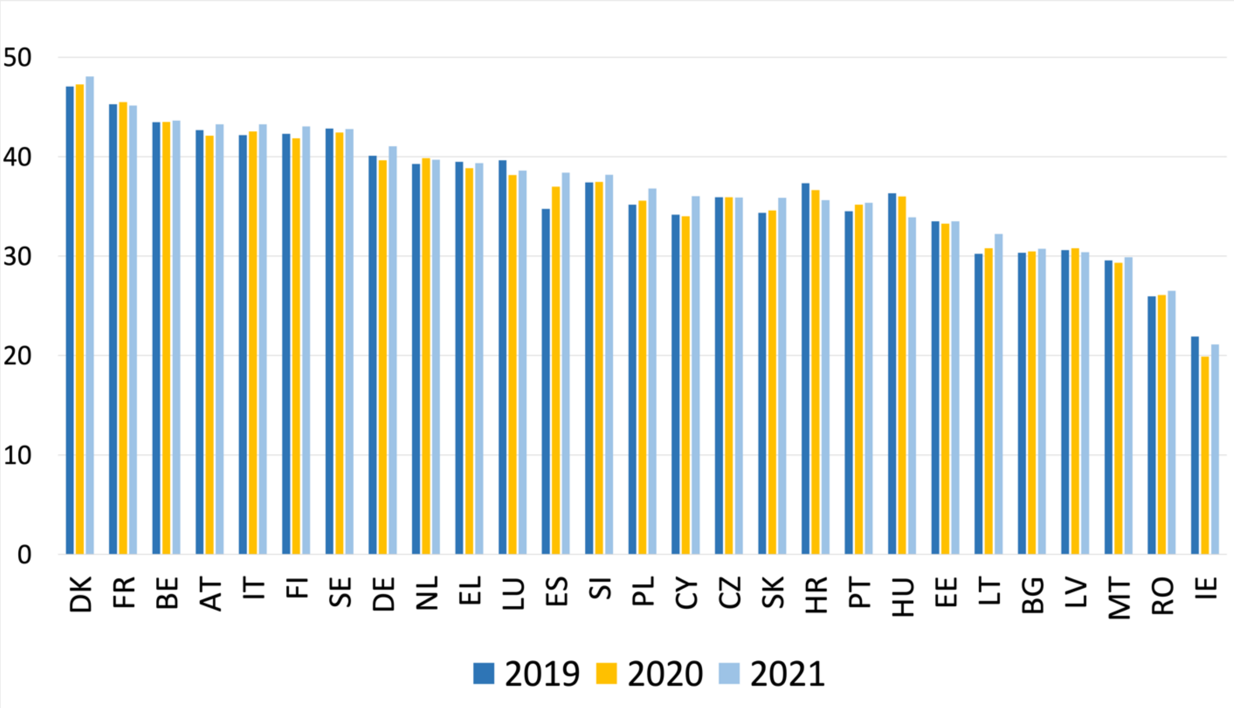
From 2011 to 2021, the tax revenues in the EU displayed an overall upward trend, with several countries experiencing significant increases (annex 2.1). Countries such as Austria, Belgium, Cyprus, Denmark, Estonia, Finland, France, and Germany witnessed a rise in their tax revenues during this period.

Austria's tax revenues gradually increased over the years, reaching around 113.5 billion euros in 2021. Similarly, Belgium's tax steadily grew to about 153.2 billion euros in 2021, an increase of 0.3 percentage points with respect to 2011. Cyprus experienced a slight 0.9 percentage points increase throughout the decade ultimately reaching revenues of approximately 5.9 billion euros in 2021. Denmark's tax revenues also demonstrated a significantly positive trajectory. Estonia, a smaller economy within the EU, experienced a notable 2.2 percentage points increase, reaching about 6.8 billion euros in 2021. Finland, on the other hand, witnessed a steady growth in tax revenues. France and Germany, as two of the largest economies in the EU, displayed substantial increases in tax revenues throughout the period. From 2011 to 2021, France reported a 3 percentage points increase in its total tax revenues, which gradually rose to around 760.2 billion euros. Germany maintained a consistent upward trend, reporting a 2.2 percentage points increase and reaching approximately 895 billion euros in 2021. Spain (+5.4%) and Lithuania (+5.9%) are the two countries that witnessed the largest positive changes with regards to total tax revenues.

It is worth noting that while the majority of countries experienced an increase in tax revenues, Hungary, Malta, and Romania showed relatively stagnant or slightly decreasing tax revenues during this period. At the same time, Ireland experienced a relatively big decrease in total tax revenues (Annex 2.2).

The graph below provides an overview of the changes in tax revenue as a percentage of GDP across EU Member States for the specified years, allowing for a visual comparison of the fiscal performance and trends among different countries.

Figure 2: Tax revenues as percentage of GDP, EU-27 countries, 2019-2021



Source: Authors' elaboration of data retrieved from Eurostat

1.4. Energy prices and inflation

The global energy market has witnessed a significant rise in prices since early 2021, driven by a combination of demand and supply factors. These factors encompass both long-term trends, such as inadequate investments in clean energy supply, and short-term developments, such as a robust post-COVID-19 recovery in energy demand. The ongoing conflict in Ukraine has further exacerbated energy market dynamics, introducing additional uncertainties regarding future supply. Russia's decision to suspend energy supply to several countries has prompted others to impose embargoes on Russian energy imports. Consequently, the resulting price volatility in the energy market has contributed to mounting inflationary pressures on a global scale. These price shocks have had profound adverse effects on households and businesses, necessitating increased governmental support measures.

Governmental support measures can be broadly classified into two categories: income support and price support. Income support measures encompass transfers or vouchers provided to households and firms, aiming to alleviate the financial strain caused by escalating energy costs. To address the heightened needs and challenges arising from the energy price shocks, existing income support programs can be expanded to reach a wider population, or the level of financial assistance can be augmented. This flexibility allows for the adaptation of income support initiatives to effectively address the increased demands during times of crisis. Notable examples include France's introduction of a one-off top-up to the means energy voucher in December 2022 and Romania's provision of loan guarantees worth EUR 500 to companies across all sectors in January 2023.

On the other hand, price support measures focus on mitigating the impact of soaring energy costs for consumers. These measures may encompass price controls, reductions in taxes and fees, exemptions, or rebates related to electricity, value-added tax (VAT), fuel excise, or fuel prices. For instance, Spain took steps in June 2021 to lower a special consumer tax on electricity from 5.1% to 0.5%, aiming to alleviate the burden on consumers. Both income support and price support measures can be tailored and targeted based on means-testing or specific criteria, such as energy consumption, income levels, or residency.

Such targeted approaches enable governments to direct assistance to those most in need, ensuring effective utilization of resources and maximizing the positive impact of support measures on affected individuals and businesses.

2. TAX REFORMS DURING THE COVID-19 PANDEMIC

KEY FINDINGS

The tax reforms implemented by EU Member States to address the economic impact of the Covid-19 pandemic can be summarized by the following key trends:

- Personal income taxes (PIT). Reforms focused on permanent changes to the tax rate, both decreases and increases, as well as temporary reductions in the tax base. These measures primarily targeted taxes on labor. Additionally, temporary extensions and deferrals of payment deadlines were adopted;
- Social Security Contributions (SSC): The main trend was a decrease in the SSC tax rate, while a few countries opted for permanent increases in the tax base. Some countries also introduced tax benefits. Similar to other tax categories, temporary deferrals on tax payments were commonly implemented, often tailored to specific sectors or aimed at supporting employment;
- Corporate taxes: Changes to the tax base, decreases and tax benefits in particular, have been the most popular measure regarding corporate taxes. Ten countries decreased the tax rate on firms. Thirteen countries adopted deferrals of payments and three cancelled some fiscal duties; and
- VAT, other indirect taxes and other taxes: The majority of countries decreased, predominantly temporarily, the Value Added Tax (VAT) tax rate, whereas 14 countries permanently increased the tax rate on other taxes, and 11 countries decreased it. There was a general trend of expanding the tax base and introducing tax benefits, mainly with the objective of promoting environmental sustainability and improving public health.

EU countries implemented a diverse range of tax measures to mitigate the economic repercussions caused by the COVID-19 pandemic. These measures aimed to alleviate the financial strain experienced by individuals, businesses, and the overall economy during these challenging times. To provide a focused and relevant analysis, this study considers tax measures implemented during the period between 2020 and 2021. This timeframe is considered particularly crucial as it encompasses the most significant and immediate responses to counter the economic consequences of the pandemic. By concentrating on this period, the report aims to capture and evaluate the tax measures that were specifically tailored to address the unprecedented challenges posed by the COVID-19 crisis.

To provide a comprehensive analysis, tax policies were categorised into four primary categories: changes in PIT, SSC, taxes on firms, VAT and indirect taxes. Within each category, EU countries implemented a wide array of measures that targeted either the tax base or the tax rate. These measures encompassed a spectrum of actions, including increases, decreases, and the provision of tax benefits, all aimed at rebalancing the economic landscape and fostering recovery. Moreover, a notable and common approach adopted by EU Member States to address the pressing economic distress was the temporary deferral of taxes. By implementing this mechanism, governments aimed to provide immediate relief to individuals and businesses, easing the burden on their financial obligations and providing them with additional breathing space during the crisis. A small number of countries introduced new taxes in the immediate aftermath of the COVID-19 pandemic. Furthermore, each category was further subdivided into two subcategories, denoting whether the policies were of a 'permanent' or 'temporary' nature.

The personal income tax measures were divided into four subgroups: taxes on “labor”, “capital”, “property”, and “personal income”. The “personal income” subgroup encompasses both personal income tax measures with an unclear target and general personal income tax measures.

2.1 Personal income taxes (PIT)

The vast majority of EU countries, with the exceptions of Portugal and Romania, implemented various personal income tax measures. These policies were predominantly adopted during the early to mid-2020 period, particularly between March and June. Notably, in many instances, the legislation and the date of entry into force were closely aligned, indicating the urgency and swift implementation of these measures. Additionally, in certain cases, the policy came into effect before its official date of legislation, highlighting the pressing nature of the measures in response to the prevailing circumstances. Most notably, the majority of changes in the tax rate, whether they involved increases, decreases, or benefits, were of a permanent nature. In terms of alterations to the tax base, countries predominantly opted to decrease the overall taxable income and assets. This strategic approach aimed to alleviate the financial burden on individuals and businesses, fostering economic recovery in the wake of the pandemic.

2.1.1. PIT: tax rate trends

In terms of tax rate adjustments, permanent decreases and increases in tax rates emerged as the most prevalent strategies implemented by several countries (Table 1). Specifically, eight countries opted for permanent reductions in the personal income tax rate, while five countries implemented permanent increases. Despite their opposite nature, these measures are aimed at addressing similar concerns regarding equity and fairness. Indeed, both measures are aimed at increasing redistribution. It is worth noting that only Belgium and Germany adopted temporary policies regarding the increase or the decrease of the personal income tax rate. The countries that decided to work through the tax rate channel have done it permanently. This tendency to permanent tax rate measures holds even with regard to tax rate benefits: four countries (Austria, Greece, Netherlands, Czech Republic) permanently introduced tax rate benefits into their fiscal systems, while only two (France and Poland) did it for a limited time span.

Table 1: Tax measures involving changes to the personal income tax rate in EU countries in the aftermath of COVID-19

Tax rate measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
Labor		EL, FI, NL		NL, CZ		
Capital		NL, ES		HR		
Property		BE, ES	DE		FR	
Personal Income	BE	EL, ES		AT, HR, NL, PL, SK, SE	PL	AT, EL, NL, CZ

Source: Authors' elaboration of data retrieved from OECD and EU databases

No distinct patterns or specific trends were observed concerning tax rate increases, except for targeted measures focused on higher tax brackets related to property and capital. Notably, The Netherlands implemented an increase in the personal income tax rate on capital to 31%, accompanied by an adjustment of the tax-free threshold to EUR 50 000 (previously EUR 30 846). Similarly, Spain introduced a new tax bracket, applying a maximum personal income tax rate on capital of 26% for taxable income exceeding EUR 200 000.

Regarding tax rate decrease and tax benefits, three main trends can be highlighted:

- **Reductions in progressive tax rates for lower brackets**: Austria implemented a decrease in the entry tax rate applicable to taxable income ranging from EUR 11 000 to EUR 18 000 EUR, reducing it from 25% to 20%. This measure aimed at providing support to individuals with lower incomes. Similarly, the Slovak Republic lowered the tax rate from 21% to 15% for all self-employed individuals earning below EUR 49 790 per year. The Netherlands implemented a gradual tax rate decrease of 0.03 percentage points in 2022 and 0.02 percentage points in 2023 and 2024 for the first income tax bracket. Furthermore, Croatia adopted a reduction in personal income tax rates from 24% to 20% for income up to HRK 30 000 per month (EUR 4 000) or HRK 360 000 (approximately EUR 48 000) annually;
- **Expansion of Lump-Sum and Flat taxation**: Poland expanded the scope of professions eligible for flat-rate taxation and reduced the lump-sum tax rate for revenues generated from liberal professions from 20% to 17%. The Czech Republic, allowed for the possibility of fulfilling a single flat rate payment obligation for personal income tax, social insurance premiums and health insurance premiums; and
- **Tax reductions for specific groups**: Austria decreased the entry tax rate valid from a taxable income of EUR 11 000 to EUR 18 000 from 25 to 20% specifically aimed at assisting individuals with lower incomes. Similarly, the Slovak Republic lowered the tax rate from 21 % to 15 % for all self-employed with incomes below EUR 49 790 per year.

2.1.2. PIT: tax base trends

The vast majority of EU countries have implemented policies aimed at reducing the personal income tax base (Table 2). Indeed, in fourteen countries the decrease to the tax base was temporary and in twenty-one was deemed permanent. The primary focus of these reductions centered around personal income taxes on labor, with Croatia, Italy, and Germany introducing both permanent and temporary tax base reductions in this area. Again, Italy, Germany, Belgium and Sweden have adopted both permanent and temporary measures aimed at decreasing the tax base on general personal income taxes. These tax base reduction measures were designed to overcome the economic consequences of the pandemic by lowering the total tax burden on personal income. In most cases, reductions have taken the form of tax allowances. Tax base benefits have also been an important tool to overcome the economic crisis. Six countries conceded temporary tax base benefits, while ten countries have conceded permanent tax base benefits. On the other hand, few countries have permanently increased the personal income tax base, while none have temporarily increased it.

Table 2: Tax measures involving changes to the personal income tax base in EU countries in the aftermath of COVID-19

Tax base measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
Labor			HR, DK, DE, EL, IE, IT	AT, HR, CZ, DE, IT, LU, NL	AT, IT	IE
Capital				IT, SE	EL	
Property		DK	DE		EL	FI, HU
Personal Income		LU, PL, ES	BE, CY, DE, IE, IT, SI, SE	BE, EE, FI, DE, IT, LV, LT, LU, NL, PL, ES, SE	DE, IE, PL	FI, DE, LV, NL, PL, SK, SI, SE

Source: Authors' elaboration of data retrieved from OECD and EU databases

The observed trends primarily revolved around the decrease in the personal income tax base:

- **General COVID-19 relief measures:** Typically, in the form of allowances and exemptions, various countries have implemented specific measures to address the tax base decrease. For instance, Germany provided a tax exemption for bonuses up to EUR 1 500 paid to employees by employers between 1 March 2020 and 31 December 2020. Poland has conceded tax deductions for incomes earned in a tax year outside the territory of the Republic of Poland (limited to PLN 1 360 for a tax calculation base not exceeding PLN 8000). Italy granted tourist vouchers that take the form of a tax credit between EUR 150 - 500 to households with income lower than EUR 40.000. Luxemburg increased the deductibility for domestic costs from EUR 5 400 to EUR 6 750 for taxpayers who employ a housekeeper for domestic tasks. In Sweden, a temporary allowance for earned income to compensate for increased work-related costs due to COVID 19 was introduced;
- **Family and child related benefits:** Austria increased the maximal amount of childcare expenses eligible to PIT tax credit, Estonia introduced a supplementary basic allowance for third child, Germany increased the single-parent income tax allowance from EUR 1 908 to EUR 4 008 per year in tax years 2020 and 2021 and granted families with children a bonus benefit payment of EUR 300 per child. At the same time, there has been an increase of the basic allowance for children from EUR 7 812 by EUR 576 to EUR 8 388 as of 1 January 2021 and an Increase of child benefit by EUR 15 per child per month as of 1 January 2021. Ireland eased the requirement that, to avail the exemption from tax contained in section 216C, childminders look after children in their home, rather than in that of the minder. Cyprus granted a childcare-leave allowance, in accordance with certain terms and conditions; and
- **Individuals with specific needs and charity:** In Germany, tax reliefs for persons with disabilities and persons in need of nursing care have been increased, while Sweden raised basic allowance for elderly people and granted a tax credit of 60% on the rent of March, April, May, and June for buildings where the activity is carried out by companies (including no-profit), craftsmen and self-

employed workers with a turnover of less than 5 million euros in 2019. Italy introduced a tax credit of 30% for charitable donations linked to the COVID-19 emergency as well.

2.1.3 PIT: deferral of payments' trends

The implementation of deferral measures, primarily in the form of tax waivers and filing extensions, has been utilised to address the economic crisis (Table 3). These deferral measures are typically temporary in nature, offering relief for a fixed period. However, exceptions exist, such as in Luxembourg, where payments for the first annual income taxes of liberal professions, commercial activities, and agricultural activities were permanently canceled.

In the wake of the economic crisis, immediate deferral measures were often renewed until the end of 2020 and extended further into 2021. Thirteen countries across Europe have granted general suspensions of income tax payments. Additionally, a smaller subset of countries employed more targeted approaches by suspending payments of personal income taxes related to labor, capital, or property. For example, Italy exempted operators in the hardest-hit sectors, such as tourism and entertainment, from paying municipal property tax installments. Croatia specifically extended deadlines for submitting financial account information, providing additional flexibility to taxpayers.

Table 3: Measures involving deferrals of payments of personal income taxes in EU countries in the aftermath of COVID-19

Deferrals		
Nature	Temporary	Permanent
Labor	IT	
Capital	HR, IT	SE
Property	BG, IT, PL	
Personal Income	BG, HR, FI, IE, IT, LV, LU, MT, PL, SI, ES	CZ, LU, PL, SE

Source: Authors' elaboration of data retrieved from OECD and EU databases

Two main deferrals measures have been adopted across EU countries:

- **Deadline extensions:** these measures refer to the extension of the deadline for certain tax-related activities, such as filing tax returns. In this sense, Germany conceded an extension of the deadline for filing tax returns prepared by tax advisors. Bulgaria granted an extension of the deadline for submitting annual income tax returns for persons carrying out economic activity in a trading capacity. Poland permitted a prolongation of the deadline for transfer pricing reports and documentation for the selected group of related entities; and
- **General deferrals:** these measures involve the delaying of payment of taxes to a later date. In Finland, payment arrangements have been granted eased terms based on a temporary legislative amendment, which allowed for a late-payment interest rate of 2.5% (instead of 7%) to be applied on taxes included in a payment arrangement. Italy granted firms operating in the most suffering sectors, including tourism, entertainment and retail trade, exemptions from paying the second installment of municipal property tax on buildings (IMU), as well as land-use fees. Latvia deferred all self-employed personal income tax advance payments for 2020 and 2021. Luxemburg opened the possibility, for companies and physical persons exercising a liberal profession, to cancel the last

two quarterly advance tax payments for 2020, and the first two quarterly advance tax payments for 2021, and Slovenia has conceded a deferral for the advance payment of the PIT on income from the activity for April and May 2020. At the same time, Croatia introduced a PIT deferral for a period of up to 3 months with possible prolongation on additional 3 months, and Malta allowed to postpone the payment of certain taxes, including personal income tax, for self-employed individuals who have suffered a significant decline in turnover due to the pandemic.

2.2. Social security contributions (SSC)

2.2.1 SSC: tax rate trends

When it comes to SSC, a range of measures were implemented by different countries (Table 4). Temporary tax rate decreases were adopted by three countries, whereas five countries opted for permanent solutions with the same objective. Notably, Greece, Hungary, and Sweden implemented both temporary and permanent measures aimed at reducing the burden on employers and employees. These measures involved cutting contribution rates for health insurance, injury insurance, or overall social security duties.

Conversely, only two countries, Denmark and Greece, have permanently raised the social security contributions tax rate, while no country has implemented temporary increases. Denmark increased the tax rate as part of its pension reform, while Germany raised the contribution rate for health insurance.

Table 4: Tax measures involving changes to the social security contributions' rate in EU countries in the aftermath of COVID-19

Tax rate measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
SSC		DK, DE	EL, HU, SE	EL, HU, LTV, LU, SE	EL, HU	EL, HU

Source: Authors' elaboration of data retrieved from OECD and EU databases

Two main tendencies have been identified regarding the decrease and benefits of social security contributions' tax rates:

- **Reductions in insurance rates and flexibility in contributions:** Greece allowed employed lawyers, engineers, and doctors to choose among three set sums per month based on their category regarding insurance contribution. At the same time, a reduction of 0,42 units of the insurance rate, in case of full employment has been implemented. Hungary cut employers' SSC by further 2 percentage points from 17.5% to 15.5% from 1 July 2020, and Luxemburg decreased the contribution rate for the Injury insurance from 0,8% in 2018 to 0,75% in 2020. Similarly, Sweden has temporarily reduced SSC for employed youth 19-23 years old as well as first employee SCC, and Latvia decreased social security contributions` rate by 1 percent point (from 35.09% to 34.09%); and

- **Sector-specific support:** Greece government granted the 100% funding of total social security contributions to performers, artists, and tour guides for specific months, as well as total social security contributions to enterprises in the services sector, airline and maritime sector, and tourist accommodation sector highlights targeted financial assistance. Sweden further increased the reduction of SSC for persons working with R&D, while Hungary granted tax holidays for small businesses under the simplified, small business-oriented tax regime in 26 specific activities (personal transport services, beauty services, dental services, accommodation etc.).

2.2.2. SSC: tax base trends

Regarding measures aimed at increasing the tax base, four countries have permanently raised the tax base on social security contributions, while, again, none have temporarily increased it (Table 5). These measures have introduced new conditions for accessing allowances and exemptions. At the same time, only Hungary has temporarily decreased the tax base, while Lithuania and the Netherlands have permanently raised it.

Table 5: Tax measures involving changes to the social security contributions' base in EU countries in the aftermath of COVID-19

Tax base measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
SSC		HU, LT, SK, SE	HU	LT, NL	IE, PL	LV, NL

Source: Authors' elaboration of data retrieved from OECD and EU databases

Considering <u>tax base increase</u> measures related to SSC, there is one significant trend among EU Member States: the cut of allowances and exemptions. Indeed, the Slovak Republic has abolished the 13^{th} and 14^{th} wages exemption, Sweden has raised the age for eligibility of increased basic allowance and reduced SSC for older persons. At the same time, Hungary has modified the regulation of the lump sum tax of small enterprises to prevent the harmful practice of sourcing employment contracts into the preferential regime.

With regard to social security contributions' <u>tax base decrease/benefits</u>, two recurring tendencies have been observed:

- **General COVID-19 relief measures:** Latvia introduced minimum social contribution payments in order to reorganize the alternative tax regime (including micro-enterprise tax), while the Netherlands increased the tax exemption for costs associated with work to accommodate the increasing number of teleworkers caused by COVID-19 in 2020; and

- **Pension-related and care benefits:** Poland granted an additional care benefit for parents who had to look after children of up to 8 years of age (or older if with disabilities), in case of closure of nurseries, kindergartens, schools or other educational facilities. The Netherlands changed the second and third pension pillars: from 1 January 2022, it is possible to pay-out an incidental deposit of 10 percent from your pension savings. From 1 January 2021, the rules around early retirement and fiscal friendly pension savings have changed. Ireland has provided changes in early retirement and pension savings rules.

2.2.3. SSC: deferral of payments' trends

Temporary deferrals have emerged as the most common measures implemented in relation to social security contributions (Table 6). Specifically, nine countries have temporarily deferred tax payments, with Italy, Poland, and Slovenia leading the way in terms of the number of deferral measures adopted. Italy implemented eleven specific reforms, followed by eight in Poland and seven in Slovenia. These reforms primarily involved the cancellation of tax duties or the provision of monthly extensions for payment deadlines, aimed at supporting businesses in sectors severely impacted by the economic crisis.

Typically, these deferral concessions were enacted in the initial months of 2020 and subsequently renewed for extended durations. Conversely, no countries have temporarily granted tax deferrals specifically targeting social security contributions.

Table 6: Measures involving deferrals of payments of social security contributions in EU countries in the aftermath of COVID-19

Deferrals		
Nature	Temporary	Permanent
SSC	EE, FR, EL, HU, IT, LT, PL, SK, SI	

Source: Authors' elaboration of data retrieved from OECD and EU databases

The trends related to the postponement and cancellation of SSC tax payments can be categorised into two main aspects:

- **Sector-specific reliefs:** several countries implemented measures tailored to specific sectors. For instance, Slovenia deferred payments of SSC for farmer-related activities for a three-month period. Poland exempted entrepreneurs in certain sectors from paying SSC between December 2020 and January 2021, and also provided exemptions for entrepreneurs in tourism-related sectors. Hungary granted employers in severely affected sectors, such as tourism, restaurants, entertainment venues, sports, cultural services, and transportation, an exemption from paying employers' SSC until June. Italy allowed for the postponement of SSC payments due by November 2020 for firms operating in sectors heavily impacted by the crisis, including tourism, catering, and entertainment; and
- **Employment Support Measures:** countries have also implemented measures to support employment. In Estonia, the state has paid the advance payment of social tax for self-employed persons for the first quarter of 2020. Poland granted a 3-month exemption from payment of SSC for employers with 1-9 employees and reduction of SSC (50%) for employers with 10-49 employees, from March to May 2020, as well as a 3-month exemption from payment of SSC (100%) for self-employed, from March to May 2020. Slovenia provided exemptions of payment of employees' social security insurance contributions for all employees that wait for work due to temporary incapacity of employer to provide work for business reasons or "force majeure".

2.3. Taxes on firms

2.3.1. Taxes on firms: tax rate trends

Following an analysis of tax rate changes on firms, the prevailing trend has been a decrease in the tax rate (Table 7). A significant number of countries, totaling ten, have adopted this reform as a means of fostering business growth and economic development. Conversely, only two countries have opted to increase the tax rate on firms, signifying a less prevalent approach. Additionally, three countries have implemented tax benefits aimed at providing incentives and support to businesses. Overall, the predominant response across nations has been focused on reducing the tax burden for firms, highlighting a concerted effort to stimulate economic activity and promote competitiveness.

Table 7: Tax measures involving changes to the tax rates on firms in EU countries in the aftermath of COVID-19

Tax rate measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
Firms	FR	NL	LT, RO, ES, EL, HU	AT, HR, FR, HU, SK	PL	BE, HU

Source: Authors' elaboration of data retrieved from OECD and EU databases

When considering the tax rates for firms, two primary trends emerge temporary or permanent decreases in the tax rate. These measures were implemented with the goal of fostering investments and stimulating economic growth. Temporary reductions were adopted by five countries, while permanent reductions were implemented by another five. However, there has been limited utilisation of other tax rate measures (tax rate decreases and tax benefits). France stands alone in temporarily increasing the tax rate for firms, while the Netherlands is the sole country to have permanently increased it. Tax rate benefits, on the other hand, have been granted solely by Poland, Belgium, and Hungary.

With regard to firms' tax rate increases, there are no trends emerging as only two countries adopted this reform. Considering tax rate decrease/benefits, two increasing tendencies can be highlighted:

- **Progressive tax rate reductions for small businesses:** France reduced the CIT rate of 15% for small and medium firms on their first EUR 38 120 of taxable profits. This measure is extended to the corporations realizing a turnover up to EUR 10 million (compared to EUR 7,63 million before the measure). Similarly, Greece conceded a reduction of tax advance payments for tax year 2019. In Hungary, the rate of small business tax has been reduced by 1 percentage point in 2020 (from 12% to 11%), and in the Slovak republic the corporate income tax rate has been decreased from 21% to 15% for all self-employed with incomes below EUR 49 790 per year. Moreover, Romania allowed microenterprises who pay the income tax due for the first quarter of 2020 by the standard deadline to benefit from a 10% reduction in their income tax; and
- **Specific Tax Incentives (activity/sector specific):** Lithuania introduced a new tax relief for companies implementing large projects under large specific project investment agreements with income coming from data processing, web server services and related activities or income from manufacturing. At the same time, Spain introduced free depreciation for investments in the sustainable or connected electric mobility value chain.

2.3.2. Taxes on firms: tax base trends

Tax base measures have been the most common measure regarding corporate taxes (Table 8). Concessions of full deductions, exemptions and depreciation allowances have been a common response across the countries that decided to intervene through the corporate tax base. Eleven countries decided to temporarily decrease the tax base. Eleven countries as well have decided to permanently decrease the tax base. Italy (fourteen reforms), Belgium (nine reforms), and Poland (eight reforms) are the countries that have implemented most of the policies specifically regarding permanent or temporary reductions of the firm's tax base.

The vast majority of these reforms were, again, aimed at boosting economic growth or increasing investment. For this category, there is more heterogeneity regarding the date of entry into force: the implementation of corporate tax policies has been constant throughout the emergency timeline.

Table 8: Tax measures involving changes to the tax base on firms in EU countries in the aftermath of COVID-19

Tax base measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
Firms	PL	FR, NL, PT	BE, FI, FR, DE, HU, IE, IT, MT, PL, SK, ES	CZ, FI, DE, HU, IT, LU, NL, PL, PT, ES, SE	AT, HR, DE, IE, IT, PL	FR, HU, IE, IT, NL, PL, PT

Source: Authors' elaboration of data retrieved from OECD and EU databases

Considering firms' tax base increase, the tendency of introducing anti-avoidance measures is increasingly popular among EU policy makers:

- **Anti-avoidance tax measures**: the Netherlands introduced a limitation of interest deductibles. Similarly, Portugal introduced in the Portuguese CIT code the definitions of hybrid mismatches (situations giving rise to deduction without inclusion or double deduction), as well as an anti-abuse rule that aims to combat the fragmentation of activities carried out in Portuguese territory.

Regarding firms' tax base decrease/benefits, three general trends can be highlighted:

- **Investment support**: along with the economic crisis, as we move towards a sustainable economy, the importance of investment and innovation will likely increase due to the demand for new technologies. The creation of knowledge can positively impact not only the firm generating it but also other companies and the entire economy, as knowledge can be easily imitated by others at low cost. However, firms tend to focus solely on the private returns from their innovations when deciding how much to invest in R&D, disregarding the positive spillover effects (Arrow, 1962). Since the private returns are lower than the overall social returns, there tends to be insufficient R&D investment at the broader economic level. For this reason, governments primarily support private R&D through direct grants and tax incentives. Although both measures aim to bolster private R&D, they have distinct objectives and operational approaches. Direct grants involve government participation in project decisions, but they often come with high administrative costs. On the other hand, tax incentives allow firms to independently choose and manage their R&D projects (Hall, 2019). Indeed, Belgium increased the investment deduction percentage to 25% for investments made between 03/2020 and 12/2020, and Czechia implemented an increase of the limit for depreciation of tangible assets and abolition of depreciation of intangible assets. At the same time, Finland granted a 50 % deduction for R&D costs of cooperation with research organizations in 2021-2025. Germany introduced depreciation allowances for movable assets such as machinery, while in Italy a tax credit for investment cost in southern regions has been introduced. Similarly, Malta adopted a tax credit scheme for companies that invested in research and development (R&D) activities related to COVID-19, that has provided a tax credit equal to 40% of eligible R&D expenditure related to COVID-19, up to a maximum of EUR 50 000. Moreover, Spain enhanced tax credits for technological activities regarding the automotive sector;

- **Tax system simplification**: France granted immediate refund of carry back on corporate tax deficits, and Hungary increased the eligibility criteria of small business tax. At the same time, Ireland agreed to suspend the application of Professional Services Withholding Tax and other taxes to the payments made by hospitals during the peak of the pandemic, while Poland extended the validity of certificates of residence which would expire during the COVID-19 epidemic, and possibility of confirming the tax residency by a copy of the certificate of residence; and

- **Green transition and sustainability promotion**: reforms promoting ecological sustainability have also been gaining momentum in the aftermath of the COVID-19 pandemic. For example, France created a tax credit for energy-saving that works in favor of small/medium enterprises buildings, that applied to energy-related expenses, Italy has renewed the tax credit for 2021 and 2022 related to R&D in green transition regarding technology investments cost (initially conceded for 2020 only).

2.3.3. Taxes on firms: deferrals on payments trends

Regarding corporate tax deferrals, thirteen countries temporarily conceded suspension of payments, while three countries (Luxembourg, Poland, Sweden) permanently canceled some fiscal duties (Table 9). Again, Italy has the highest number of implemented policies in this category, with fifteen measures suspending corporate income tax payments in order to prevent liquidity constraints to firms. Luxembourg has been a dynamic actor as well with regard to firms' deferrals. Indeed, seven deferral measures (four of which of a permanent type) were conceded to firms operating in the country. In general, the purpose of deferral measures was supporting the whole economy or simplifying the overall tax system.

Table 9: Measures involving deferrals of payments of taxes on firms in EU countries in the aftermath of COVID-19

Deferrals		
Nature	Temporary	Permanent
Firms	BG, HR, DE, IE, IT, LU, MT, NL, PL, RO, SI, ES, SE	CZ, LU, PT

Source: Authors' elaboration of data retrieved from OECD and EU databases

There is one general trend related to postponement and cancellation of payments of corporate taxes, mainly aiming at supporting firms and national economies:

- **Employment and Liquidity support**: in Slovenia, taxpayers could delay a deadline for submitting tax return of the advance payment of CIT for 2 months. Luxembourg granted the possibility, for companies and physical persons exercising a liberal profession, and active in the HORECA sector, to cancel the last two quarterly advance tax payments for 2020. Similarly, Germany extended the deadline for filing tax returns prepared by tax advisors. Moreover, Italy suspended tax payments for individuals and firms resident in the 11 municipalities of the so-called 'Red Zone' (zone hit the hardest by the pandemic) in the period 21 February until 30 April 2020. The Netherlands granted employers the request for a special tax deferral for most taxes for the year 2020 in order to support liquidity.

2.3.4. Taxes on firms: new taxes trends

Four countries opted for the introduction of brand-new taxes into their systems (Table 10). These measures were aimed at supporting investments or raising tax revenues. Indeed, Hungary introduced a special tax on credit institutions regarding the system of the bank levy. At the same time, Luxembourg imposed a 20% withholding tax on income derived by certain investment funds from real estate located in Luxembourg. Similarly, Poland introduced an alternative and optional method of taxation in the corporate income tax system that linked taxable income with the categories of balance sheet law and consists in changing the moment when the tax obligation arises. Moreover, Sweden's new taxes caused an increase in the tax duties on the financial sector.

Table 10: New taxes on firms in EU countries in the aftermath of COVID-19

New taxes		
Nature	Temporary	Permanent
Firms	HU	LU, PL, SE

Source: Authors' elaboration of data retrieved from OECD and EU databases

2.4. VAT, other Indirect taxes and other taxes

In this category of tax interventions, the analysis incorporates three subgroups: 'VATmeasures, other 'indirect taxes' interventions, and a residual class referred to as 'other taxes'. The use of indirect taxes and VAT played a crucial role in addressing the economic crisis across EU countries. Tax rate adjustments, modifications to tax bases, and the implementation of tax deferral schemes were among the commonly adopted measures. These approaches were widely employed as effective tools to tackle the challenges posed by the crisis throughout the EU.

2.4.1. VAT, other Indirect taxes and other taxes: Tax rate trends

In general, both increases and decreases in indirect tax rates have been implemented. When it comes to VAT, there has been a predominant focus on temporary measures, although permanent decreases have also been observed. Six countries have permanently lowered the VAT tax rate, while sixteen countries have adopted temporary decreases. In contrast, increases or benefits related to VAT have been less prevalent. Only Spain has permanently increased the VAT tax rate, and Croatia and Ireland have temporarily introduced VAT tax rate benefits. On the other hand, permanent increases in tax rates have been the most common measure observed for other indirect taxes. Fourteen countries have permanently raised the tax rate on indirect taxes, with Luxembourg being the sole country to implement a permanent increase. Decreasing measures for indirect taxes have also been employed, although to a lesser extent than rate increases. Seven countries have permanently raised the indirect tax rate, while three countries have temporarily increased it. Regarding changes to the tax base for the 'other measures' category, the only intervention has been a temporary decrease of rent duties implemented by Greece.

Table 11: Tax measures involving changes to the rates of indirect taxes in EU countries in the aftermath of COVID-19

Tax rate measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
VAT		ES	AT, BE, BG, CY, DE, EL, HU, IE, IT, LV, LT, LU, MT, PL, RO, ES	CZ, EL, LT, NL, PT, ES	HR, IE	
Other Indirect taxes	LU	AT, BE, CZ, DK, FI, HU, IE, LV, NL, PT, SK, SI, ES, SE	EE, EL, LV	CZ, DK, NL, PT, SK, SI, SE	HU	EL
Other taxes			EL			

Source: Authors' elaboration of data retrieved from OECD and EU databases

a. VAT

As <u>for tax rate increases</u> with regard to VAT, only Spain implemented such a tax measure. Hence, it is not possible to highlight any common tendency in this sense. On the other hand, considering <u>VAT tax rate decrease/benefits</u>, the worth noting tendencies are twofold:

- **Support for healthcare-related goods**: Lithuania abolished the VAT rate regarding the supplies of COVID-19 vaccines and in vitro diagnostic medical devices, while Spain granted a super-reduced VAT rate (4%) for disposable surgical masks. Similarly, Bulgaria deleted VAT and customs duties of the importation of certain medical goods, and Cyprus temporarily decreased from 9% to 5% VAT rate for certain hospitality and travel services. Poland has temporarily reduced to 8% the rate VAT for disinfectants; and
- **Sector-specific temporary reductions**: Belgium introduced a reduced VAT rate of 6% for the restaurant sector (compared to the previous 12%). Germany reduced the same rate from 19% to 7%. Similarly, Greece decreased the VAT rate to 13% for non-alcoholic beverages, cinema tickets, transports of persons and their luggages. In Hungary, VAT rate for take-away food and drinks has been lowered to 5% (from 18%). At the same time, Cyprus reduced from 9% to 5% VAT rate for certain hospitality and travel services.

b. Other Indirect taxes

Regarding <u>tax rate increases</u> related to indirect taxes, most of the measures can be divided into two broad categories: measures aiming at promoting the green transition and measures related to citizens' health:

- **Promotion of environmental sustainability**: Austria increased the flight ticket tax, and Denmark has raised taxes on greenhouse gas emissions and has temporarily increased depreciation for tax purposes to promote investment in certain green technologies, Finland has increased the energy tax on heating fuels. The Netherlands have introduced more strict CO2 requirements for motor vehicles, while Latvia has Increased the natural resources tax rates on waste disposal, air pollution and category C polluting activities and, at the same time, has deleted the exemption for CO2 emissions for the use of peat in stationary technological equipment; and

- **Health-Improving measures**: Belgium raised the excise duty for tobacco, and the same policy was implemented by Hungary. At the same time, Slovenia increased the minimum excise duty from EUR 114 to EUR 120 per 1 000 cigarettes, while Sweden raised tax duties both on tobacco products and on alcoholic beverages.

It is possible to highlight a shift toward environmental taxation with respect to tax rate decrease/benefits as well:

- **Promotion of environmental sustainability**: Denmark developed a climate compromise for energy and industry: in 2020, the energy tax on the use of electricity has been decreased, while the energy tax on use of fossil fuels for the heating of rooms has been increased. At the same time, in 2021 came into force a new vehicle act in Slovenia, aiming at reducing the existing taxation to automate and speed up the procedures for assessing the motor vehicle tax by making it more digital. At the end of 2020, Sweden changed requirements for tax exemption of biogas and has introduced exemptions for bio-propane as a heating fuel.

2.4.2. VAT, other indirect taxes and other taxes: tax base trends

When examining changes to the tax base, a notable trend can be observed in the permanent increase of both VAT taxes and other indirect taxes (Table 12). Seven countries have implemented policies aimed at permanently expanding the tax base for both VAT and indirect taxes. Conversely, decreases in the tax base have been less prevalent across the EU. Only two countries have temporarily or permanently reduced the tax base for VAT, and an equal number have done the same for indirect taxes. In terms of benefits, the VAT category has seen more frequent utilisation. Ten countries have permanently granted tax base benefits for VAT. Conversely, the use of tax benefits for indirect taxes has been relatively limited.

Table 12: Tax measures involving changes to the base of indirect taxes in EU countries in the aftermath of COVID-19

Tax base measures	Increase		Decrease		Benefits	
Nature	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
VAT		EE, DE, LV, LT, NL, PT, SK	SK	HU, SK	FI, LV	BE, EE, FI, EL, HU, IT, LV, LT, PL, SE
Other Indirect taxes		DE, HU, LV, LU, NL, PT, SE	HR, SI		IE	CZ, LV
Other taxes					CY, IE	HU

Source: Authors' elaboration of data retrieved from OECD and EU databases

a. VAT

Regarding tax base increase policies related to VAT, there is a general tendency toward increasing equity and fairness of the tax system. In this sense, Estonia abolished the EUR 22 exemption for small consignments imported from outside the Community (EU), and Lithuania deleted the relief for parcels up to EUR 22. In the same direction, Portugal has introduced new base-broadening measures on e-commerce due to equity concerns.

As for tax base decrease/benefits related to VAT, general measures aimed at boosting economic growth and consumption were adopted across the EU. Latvia granted the refunding of VAT to taxable person within 30 days without accruing them until the end of the tax year, and Lithuania abolished the pre-existing limitations to the size to refundable taxes.

b. Other indirect taxes

As for tax base increases related to other indirect taxes, some Member States implemented environment and health-Improving measures. For example, Germany implemented a CO2-related reform of motor vehicle tax for newly registered vehicles, and Latvia abolished excise duty exemptions for natural gas, used for heat supply of covered areas. Sweden raised the tax base-related taxation of tobacco products.

Considering tax trends related to other indirect taxes' tax base decrease/benefits, the great majority of the policies are aimed at encouraging consumption and simplifying the tax system. The Czech Republic abolished the real estate acquisition tax, and Hungary stated that buying houses will be exempted from transfer fees. Sweden changed tax regulation for food benefit in certain cases, while Latvia has clarified on the definition of intermediate products (alcoholic beverages) in order to reduce excise duty fraud.

2.4.3. VAT, other indirect taxes and other taxes: deferral of payments trends

Although there are no specific trends or tendencies in the policies adopted, deferrals of VAT and other indirect taxes have been among the most common measures adopted in order to try to overcome the challenges that were raised by the economic crisis. Indeed, nine countries implemented VAT deferral policies, and eleven countries adopted policies aimed at deferring other indirect taxes (Table 13).

Table 13: Tax measures involving deferrals to the payment of indirect taxes in EU countries in the aftermath of COVID-19

Deferrals		
Nature	Temporary	Permanent
VAT	HR, CY, FI, DE, HU, IE, IT, SI, ES	
Other Indirect taxes	HR, CY, EE, HU, IE, IT, LV, LT, LU, PL, RO	EL
Other taxes	AT	

Source: Authors' elaboration of data retrieved from OECD and EU databases

2.4.3. VAT, other indirect taxes and other taxes: new taxes trends

Few countries introduced completely new types of indirect taxes. Although there are no particular trends or tendencies related to the introduction of new taxes, we can highlight a general purpose of boosting economic growth. Indeed, Hungary introduced a special retail tax based on the net turnover. Similarly, Italy introduced a new tax on the consumption of soft drinks and one on plastic packaging materials.

However, the entry into force of these two measures was delayed. Moreover, Luxembourg imposed a new CO2 tax on energy products.

Table 14: New indirect taxes in EU countries in the aftermath of COVID-19

New taxes		
Nature	Temporary	Permanent
Other taxes: VAT	EL, HU, LU	IT
Other taxes: Indirect taxes		IT
Other taxes		IT

Source: Authors' elaboration of data retrieved from OECD and EU databases

3. IMPACT EVALUATION OF THE TAX REFORMS

KEY FINDINGS

The insights derived from the analysis conducted on taxation trends and essential economic factors such as competitiveness, purchasing power, occupation and inequality can be summarised by the following key results:

- Competitiveness: Countries that implemented a greater number of policies to modify their tax systems exhibit higher competitiveness. More specifically, a decrease in fiscal pressure following the pandemic is positively linked to competitiveness. In this sense, tax base decreases appear to be the most successful measures;
- Purchasing power parity: From our analysis, we find no evidence that countries implementing a greater number of policy initiatives to modify their tax systems exhibit higher purchasing power parity. The study reveals a slightly negative association between the number of policies aimed at increasing the tax rate on personal income and purchasing power parity;
- Labor market: We find a positive association between the number of policies aimed at decreasing the fiscal pressure on personal income and the total level of employment. More specifically, cuts in personal income tax rates appear to be the most effective measures. Thus, targeted cuts in labour taxes may hold the potential to stimulate employment; and
- Inequality: The analysis identifies a slight correlation between the introduction of tax policies addressed at supporting families or increasing caregiving and a reduction in income inequality between over 65 individuals. At the same time, we find no correlation between the introduction of policies targeted at low-income actors and a decrease of at-risk-of-poverty individuals. Moreover, the analysis identifies a strong positive correlation between the number of policies aimed at family and caregiving and both female and male occupation.

3.1. Competitiveness

A competitive economy is an economy whose sustained rate of productivity is able to drive growth and, consequently, income and welfare. Economic competitiveness has long been one of the key political priorities of the EU (EUR-LEX, 2023). Enhancing competitiveness requires investments in human capital, infrastructure, technology, and fostering a supportive business environment. Competitive economies attract more investments, create employment opportunities, and experience higher levels of productivity, leading to sustained economic growth.

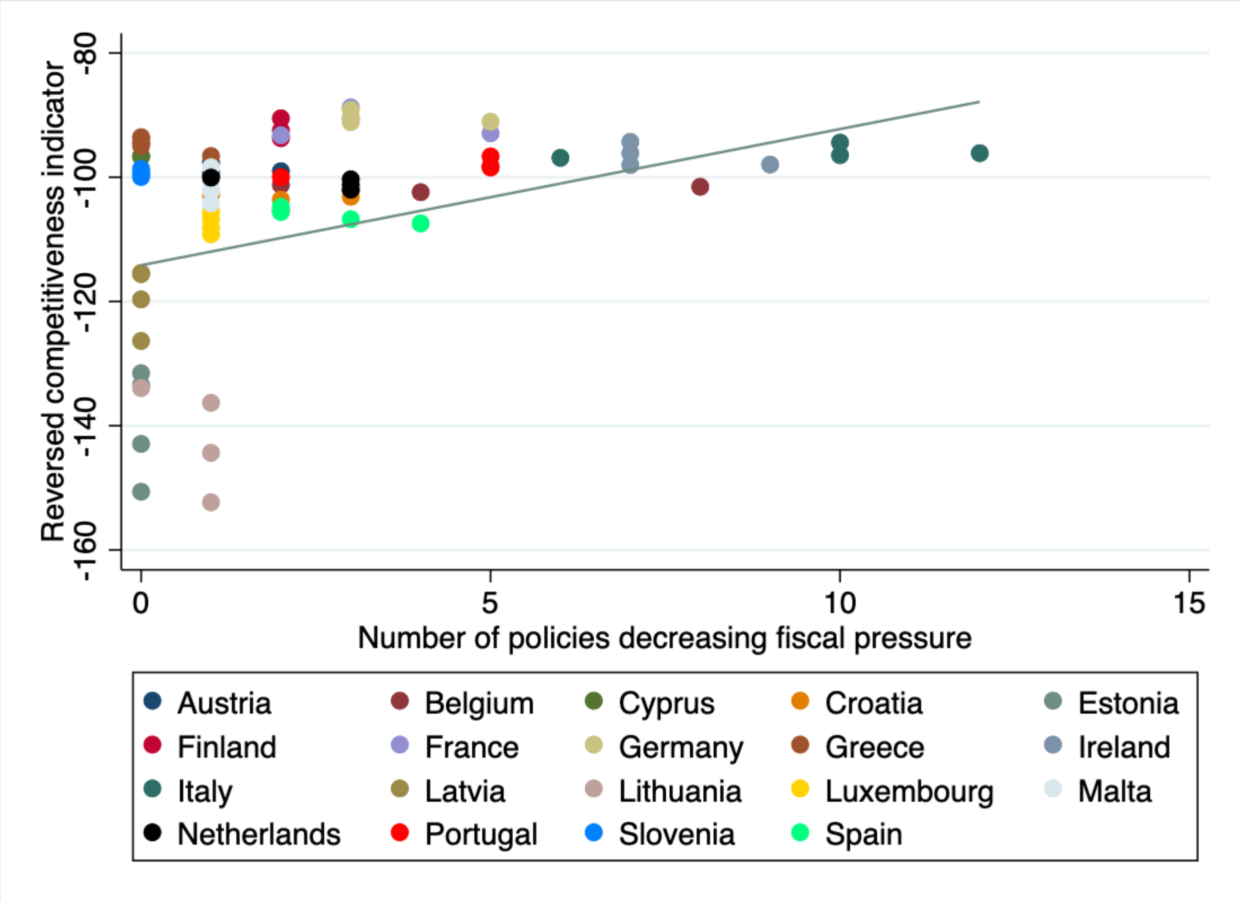
Tax policies can significantly influence a nation's competitiveness on international markets by shaping its ability to attract investment, promote business growth, and impact labor market dynamics and trade. The authors of the study use the European Central Bank’s Harmonised Competitiveness Indicators (HCIs) to compare the competitiveness across EU countries. The HCIs provide a comprehensive assessment of the price and cost competitiveness of each euro area country relative to its principal competitors in international markets, including its partners within the euro area. The real HCIs aim to evaluate a country's price or cost competitiveness compared to its main international competitors. This is achieved by calculating the nominal HCIs and deflating them using consumer price indices (CPIs), producer price indices (PPIs), GDP deflators, and unit labor costs for the total economy (ULCT).

The measure employed in this study is the inverse of the HCI adjusted for consumer prices indices. The HCI is employed as it is the most common measure used in similar research and offers comparability across EU countries while being less prone to revisions. In particular, the inverse of the HCI is taken to provide a more intuitive interpretation: if the index increases, competitiveness increases as well. In the analysis, the reversed HCI metric can be understood in the following way: when a country's index increases, it indicates an increase in its competitiveness.

3.1.1. Results

The analysis finds a correlation between our index, adjusted for consumer price indices, and indicators that capture the level of responsiveness of EU Member States in adapting their tax systems for companies. Notably, countries that implemented a greater number of policies to modify their tax systems tend to exhibit higher competitiveness compared to those with fewer policy initiatives. This suggests a positive association between the Countries' policy responsiveness in adapting their fiscal framework to the challenges posed by the COVID-19 pandemic and the level of competitiveness.

Figure 3: Competitiveness against number of policies adopted for 19 EU countries (2020-2023) controlling for GDP per capita.

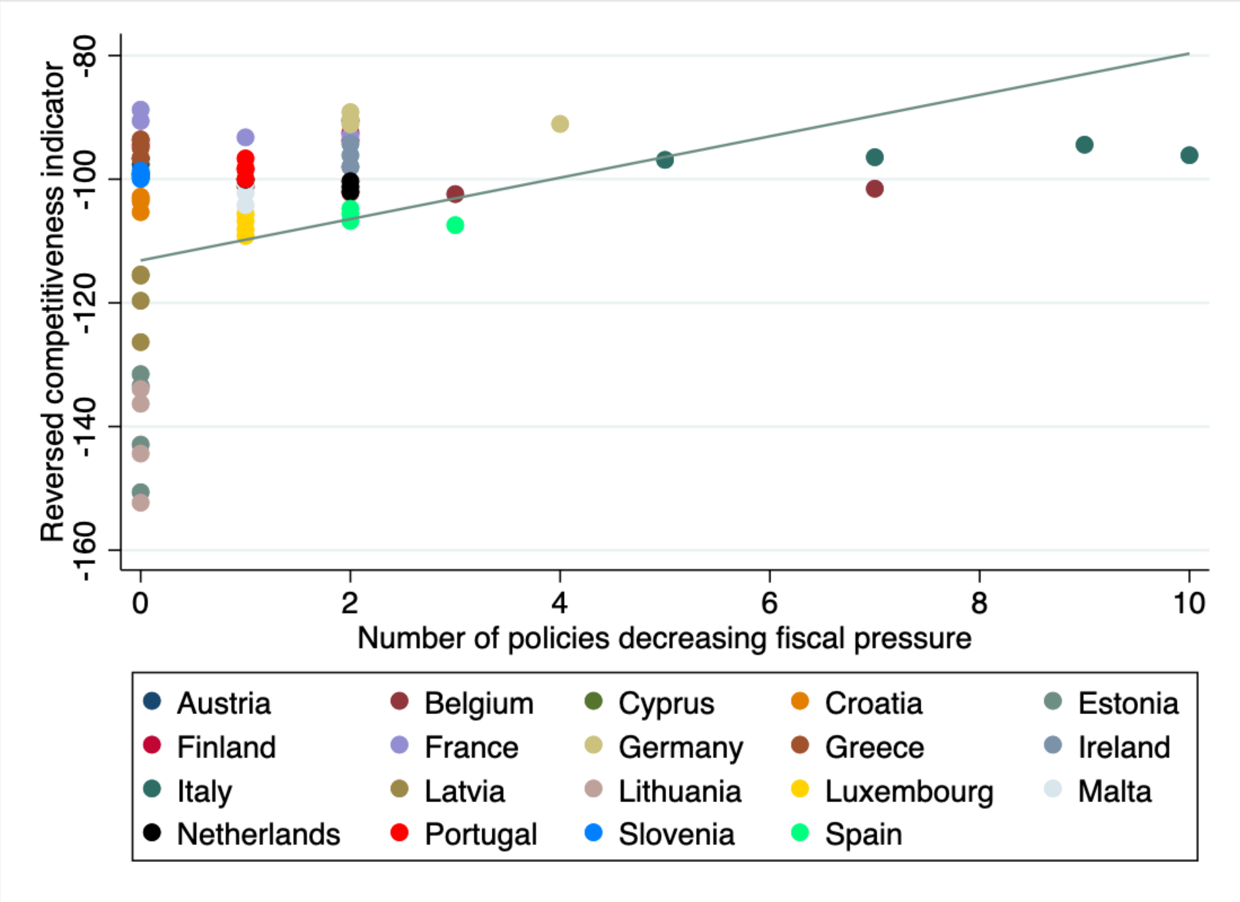


Source: authors' elaboration of data retrieved from the OECD, Eurostat and ECB databases.

Figure 3 illustrates the strong correlation between the proliferation of tax policies in EU countries and their level of competitiveness. The graph clearly depicts the tendency for countries with lower policy production to have lower levels of the index, indicating lower competitiveness. Furthermore, the clustering of countries in the graph suggests a persistent pattern over time, highlighting the consistency in the number of policies each country generates and its impact on competitiveness.

More specifically the analysis reveals that a decrease in fiscal pressure - tax base or rate benefits or decrease - following the pandemic is positively linked to competitiveness. This result remains consistent even when considering tax deferrals within the index that measures the number of policies aimed at reducing fiscal pressure. These results hold while controlling for GDP per capita.

Figure 4: Competitiveness against number of policies decreasing firm's tax base adopted for 20 EU countries (2020-2023) controlling for GDP per capita



Source: authors' elaboration of data retrieved from the OECD, Eurostat and ECB databases.

By looking at the specific measures implemented by countries to alleviate fiscal burdens on firms and their impact on competitiveness, the findings reveal that tax base decreases are more strongly associated with an increase in the overall level of competitiveness. In essence, countries that adopted a greater number of policies aimed at reducing the tax base for firms in response to the pandemic tend to exhibit higher levels of competitiveness compared to those that implemented different or fewer measures, if any.

Corporate tax policies play a crucial role in shaping a country's competitiveness (De Mooij and Ederveen, 2008), as they directly impact the business environment and investment decisions. High corporate tax rates can negatively affect a country's competitiveness by discouraging investment, reducing productivity, and deterring foreign direct investment (FDI). In contrast, lowering corporate tax rates can stimulate competitiveness and investment. However, policymakers need to strike a balance between revenue generation and creating an attractive tax environment for investment to avoid excessive tax cuts that may lead to revenue losses without significant economic benefits. Differences in tax rates across countries also influence firms' location decisions, trade patterns, and overall welfare (Bénassy-Quéré et al., 2007).

In the broader economic framework of the COVID-19 pandemic, this study identifies three main channels through which policy measures modifying EU countries' tax systems could have impacted their level of competitiveness.

Attracting Investment: Lower corporate tax rates can enhance competitiveness by attracting foreign direct investment (FDI) and encouraging domestic investment. In the pandemic-framework, lower corporate tax rates or accelerated depreciation allowances have encouraged domestic and foreign investment in medical research, vaccine development, and pharmaceutical manufacturing, thereby enhancing competitiveness in these critical areas. Moreover, the same effect was given by the establishment of investment promotion programs offering tax benefits and for businesses operating in essential sectors. These could include healthcare, e-commerce, and technology sectors.

Encouraging Entrepreneurship: Lower corporate taxes can also incentivize entrepreneurship and the establishment of new businesses. A particularly effective intervention has been the introduction of tax incentives specifically designed to promote innovation. Lower corporate tax rates for newly established businesses, along with tax credits or deductions for research and development (R&D) expenses, can incentivize entrepreneurship, support the development of innovative solutions, and enhance competitiveness in emerging sectors.

Retaining and Attracting Skilled Labor: When corporate taxes are low, businesses have the potential to generate higher profits, leading to increased job opportunities and better compensation packages. This can encourage skilled individuals to stay in or move to a country, thereby strengthening its talent pool and enhancing competitiveness. For this reason, the provision of tax relief systems or incentives for healthcare professionals, essential workers, and skilled labor involved in pandemic response was an essential feature in the policymaking. These measures included temporary tax breaks, allowances, or deductions for specific expenses incurred during the crisis. Such measures would support talent retention and attract skilled individuals, contributing to the competitiveness of the healthcare system and other vital sectors.

3.2 Purchasing power parity (PPP)

Tax policies wield substantial influence over Purchasing Power, holding the key to bridging economic disparities and ensuring fair accessibility to goods and services. This Chapter aims to scrutinize the correlation between Purchasing Power and the COVID-related tax policies outlined in Chapter 2. To achieve this, a combination of policy measures and Purchasing Power Parity (PPP) data has been utilized for 26 EU countries, namely Austria, Belgium, Bulgaria, Cyprus, Croatia, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden. Hungary has been excluded from the analysis, as it deviates significantly in terms of PPP values. The analysis focuses on the specific time span of 2020 and 2021, as it is the only period for which PPP data is available after the onset of the COVID-19 pandemic.

The investigation primarily centers on personal income taxes and indirect taxes, recognizing their potential to exert the greatest impact on Purchasing Power. Economic disparities and variations in the cost of living can significantly affect individuals and communities, particularly those with lower incomes. Reform to the personal income and indirect taxes can promote fair access to goods and services, strengthen Purchasing Power Parity, and ensure that individuals can afford essential items while maintaining an appropriate standard of living.

3.2.1. Results

First, the analysis reveals no evidence to support the notion that countries implementing a greater number of policy initiatives to modify their tax systems exhibit higher purchasing power parity compared to those with fewer policy initiatives. This finding holds true even after controlling for GDP per capita, indicating a lack of correlation between PPP and the number of policies adopted by a country. Consequently, no association emerges between the responsiveness of EU Member States in adapting their fiscal frameworks to the challenges posed by the COVID-19 pandemic and their level of purchasing power parity.

Second, the study identifies a slightly negative association between the number of policies aimed at increasing the tax rate on personal income and purchasing power parity. This result remains robust even when accounting for GDP per capita. However, the limited availability of data on PPP post the COVID-19 pandemic presents challenges in assessing the significance of these findings. Nevertheless, from a theoretical standpoint, it can be argued that reducing the personal income tax rate has the potential to increase purchasing power. Personal income taxes influence the cost of goods and services, which are key factors in PPP calculations. Hence, changes in taxation policies, including tax rate adjustments, can impact prices and alter the relative value of currencies. Higher taxes can elevate the prices of goods and services, potentially leading to an overestimation of a country's PPP. Conversely, lower taxes can lower prices, potentially resulting in an underestimation of PPP. Additionally, indirect taxes, particularly value-added taxes (VAT), play a significant role in this context. Addressing both VAT and other forms of indirect taxes can contribute to increasing PPP. Another avenue lies in reducing barriers to employment, which may involve targeted interventions like job training and reskilling programs to equip individuals with the skills required for higher-paying jobs. Furthermore, supporting entrepreneurship and self-employment can create opportunities for individuals to enhance their economic prospects. Temporary incentives such as tax breaks and access to capital can facilitate the re-employment of workers transitioning from unemployment to self-employment or those who have lost their jobs.

Thirdly, our analysis uncovers no correlation between the decrease in VAT rates and the Purchasing Power index. This result can be understood by considering the specific circumstances and sectoral nature of VAT interventions. It is crucial to note that VAT interventions during the pandemic were often targeted at specific sectors heavily impacted by lockdowns and restrictions. By reducing the tax burden on goods and services specific to these industries, governments aimed to stimulate consumer activity and aid in the recovery of these sectors. However, the broader impact on overall consumer purchasing power was limited due to the targeted nature of these interventions. Moreover, VAT reductions may not necessarily result in immediate and significant price decreases for consumers. Additionally, businesses often absorb only a fraction of the VAT reductions, resulting in a limited pass-through effect. These factors suggest that the impact of VAT rate decreases on consumer purchasing power during the pandemic may have been less pronounced than initially anticipated.

3.3. Labor market

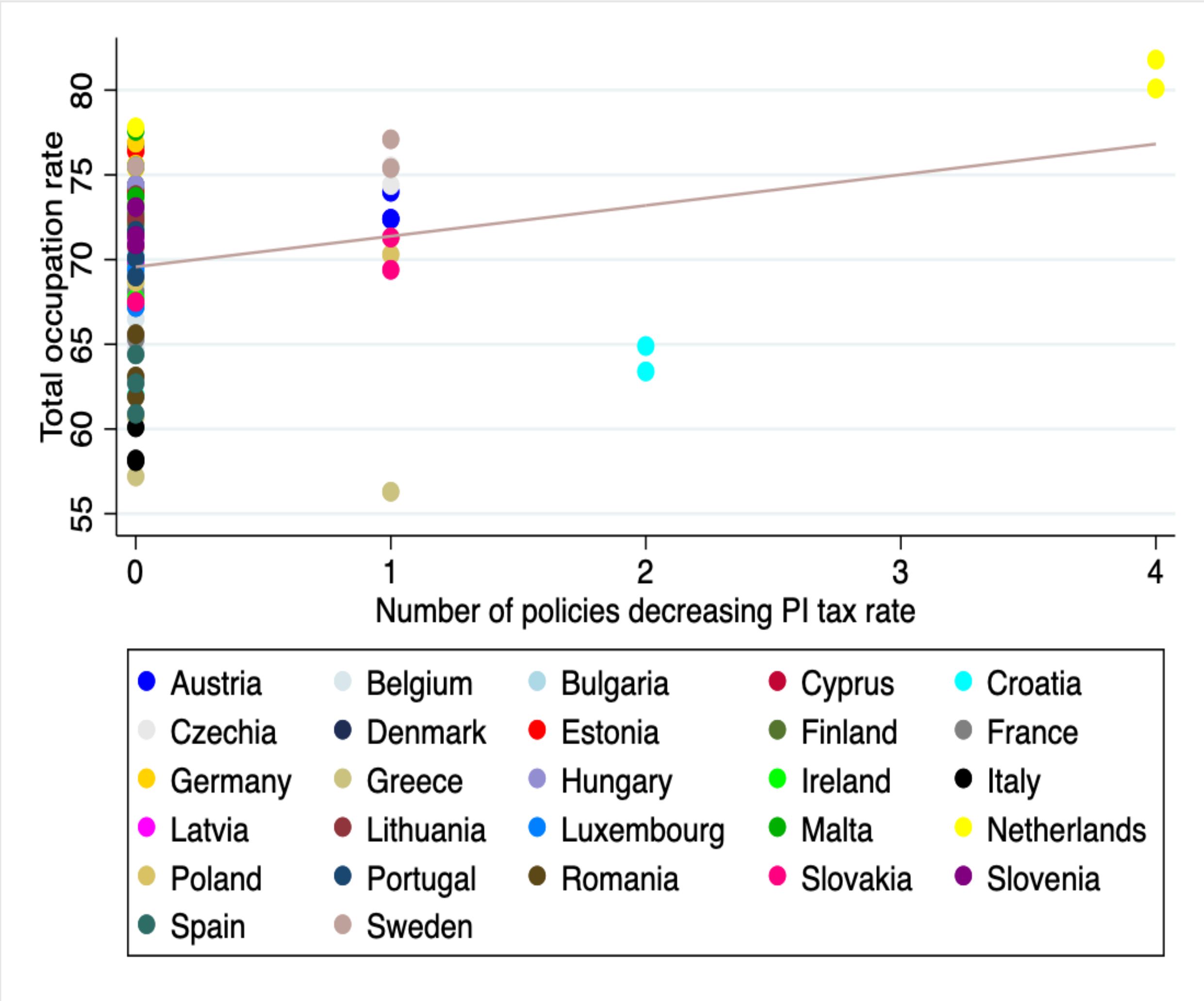
The employment rate among individuals aged 20-64 in the EU exhibited a gradual upward trajectory from 2013 to 2019, reaching 73.1% (Eurostat). However, the onset of the COVID-19 pandemic caused a decline in employment rates for 23 EU Member States in 2020 compared to previous years. In 2021, there was an encouraging recovery as nearly all EU Member States observed an increase in employment rates compared to 2020. This positive trend continued in 2022, with all EU Member States reporting higher employment rates than the previous year. Notably, Greece witnessed the most significant growth between 2021 and 2022, with a rise of 3.7 percentage points, followed by Ireland with 3.3 percentage points, Estonia with 2.6 percentage points, and Bulgaria with 2.5 percentage points.

In 2022, the employment rate for individuals aged 20-64 in the EU stood at 74.6%, although it remains below the EU2020 target of 75%. The employment rate among men in the EU reached 80.0%, while for women it stood at 69.3%, resulting in a gender employment gap of 10.7 percentage points. Across EU Member States, the employment rate varied from 82.9% in the Netherlands to 64.8% in Italy. As the economic recovery gained momentum, unemployment rates continued to decline. In May 2023, the estimated number of unemployed individuals in the EU was 12.937 million, of which 11.014 million were in the euro area (EA). In comparison to April 2023, unemployment decreased by 75,000 in the EU and by 57,000 in the euro area. Regarding gender-specific unemployment rates, in May 2023, the unemployment rate for women in the EU decreased to 6.2% from 6.3% in April 2023.

For men, the unemployment rate remained stable at 5.7% in May 2023 compared to the previous month. In the euro area, the unemployment rate for women decreased to 6.8% from 6.9% in April 2023. The unemployment rate for men in the euro area remained unchanged at 6.2% compared to the previous month.

3.3.1. Results

Figure 5: Employment rate against number of policies decreasing personal income tax rate adopted for EU countries (2020-2023) controlling for GDP per capita



Source: authors' elaboration of data retrieved from the OECD and Eurostat databases.

Figure 4 demonstrates that reductions in labour taxes hold the potential to stimulate employment, particularly in situations where individuals may lack the motivation to seek employment due to inadequate compensation. Targeted cuts in labour taxes can enhance employment opportunities, encourage greater labour force participation, and attract highly skilled workers from other regions or countries.

It is worth noting that high personal income taxes can have a disincentive effect, especially on female workers who often serve as second earners in households. Specific segments of the population, such as second earners, exhibit a higher level of elasticity to changes in labour taxation. Recognizing this pattern is crucial in emphasizing the need to tailor labour tax policies to address the specific sensitivities of different groups. Consequently, a tax cut has the potential to increase female labour force participation. Furthermore, higher disposable income resulting from tax cuts can stimulate overall spending on goods and services. This increased demand can generate a response that leads to higher levels of occupation and a proliferation of new businesses and enterprises, ultimately contributing to an increased rate of employment.

3.4. Inequality

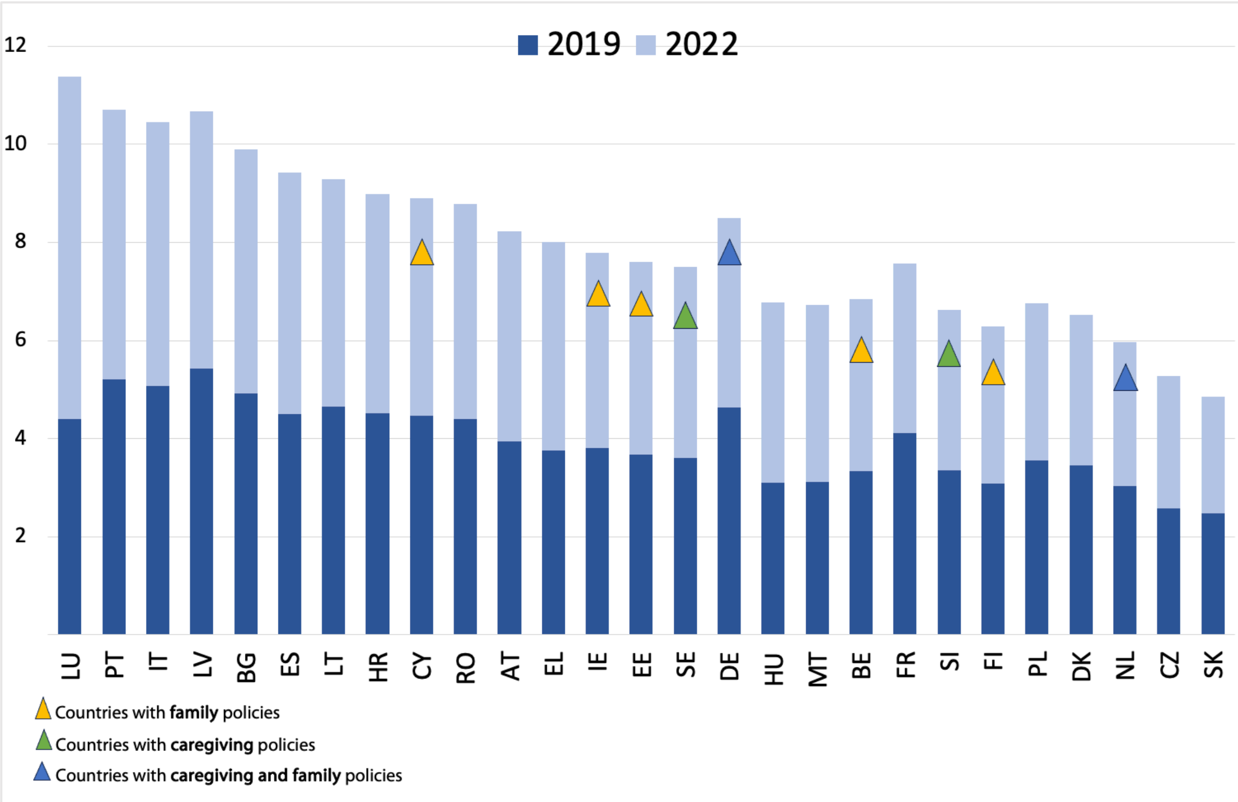
The global level of inequality has seen a substantial decline over the past three decades (IMF, 2022). While some countries have successfully decreased their levels of inequality, others, particularly advanced economies, have witnessed a notable increase since the 1980s (Cingano, 2014). The economic crisis triggered by the pandemic has raised widespread concerns that the gap between the rich and the poor has only widened. In this context, taxation assumes a pivotal role in shaping a fair society by mitigating inequalities and fostering social mobility through redistributive and behavior-incentivizing measures. One crucial aspect is the progressivity of the tax system, which determines the distribution of the tax burden among taxpayers. PIT policies can be employed by governments to redistribute wealth and promote greater equity among citizens. Additionally, PIT policies can stimulate employment, attract highly skilled individuals, and enhance competitiveness. Hence, achieving multiple goals simultaneously necessitates the adoption of an appropriate tax mix.

During the COVID-19 pandemic, EU Member States implemented targeted tax breaks to address inequalities. These measures aimed to provide relief to low-income individuals, families, and caregivers who bore the disproportionate impact of the crisis. Thus, the analysis focuses on: income inequality, defined as the difference in how income is distributed among individuals and/or populations (OECD, 2015), and gender disparities in the labour market. The analysis focuses on the period between 2020 and 2022 to evaluate the impact of these policies on income inequality and gender disparities within the EU.

The analysis deeply investigates three crucial indicators to provide a comprehensive understanding of the effects of targeted tax breaks within EU member countries during the COVID-19 pandemic. The first outcome assessed is inequality, which involves comparing the income distributions of the top 20% and the bottom 20% across two distinct age groups (individuals aged 65 and older and those younger than 65). Second, the risk of poverty rate offers a comprehensive measure of the proportion of the EU population vulnerable to experiencing poverty, taking into account various socio-economic factors. Third, the female occupation rate provides critical insights into gender disparities in labour market participation, capturing the influence of caregiving responsibilities on women's employment opportunities. By analyzing these indicators, the analysis sheds light on the efficacy of targeted tax breaks in addressing income disparities and fostering greater gender equality within the EU.

3.4.1. Results

Figure 6: Inequality of income distribution. Income quintile share ratio for over 65 individuals: comparison between 2019 and 2022 levels.

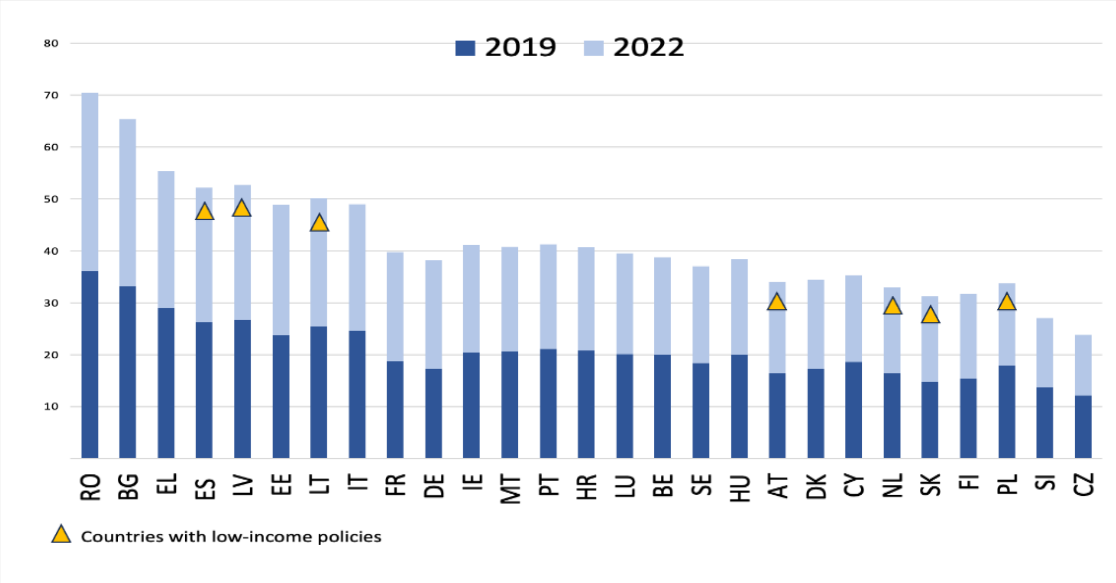


Source: authors' elaboration of data retrieved from Eurostat

Several noteworthy results have emerged from the analysis on inequality. Firstly, inequality levels were examined separately for two distinct age groups: individuals younger than 65 years old and those older than 65 years old. Notably, the results indicated no significant impact of the policies on the percentage change in inequality levels for each group between 2019 and 2022 for individuals under 65 years old. However, a correlation ($p < 0.01$) was observed between the implementation of tax policies specifically targeted at families and a reduction in income inequality among individuals over 65 years old. These findings remained significant even after controlling for GDP per capita and pre-pandemic inequality levels among individuals over 65 years old.

Furthermore, the study identified a slight correlation ($p < 0.1$) between the implementation of tax policies specifically designed for caregiving and a decrease in the level of inequality among individuals over 65 years old. This relationship also persisted after controlling for GDP per capita and pre-pandemic inequality levels among individuals over 65 years old. Consequently, these findings suggest that policies driven by equity concerns may have an overall positive effect in addressing inequality for specific segments of the population.

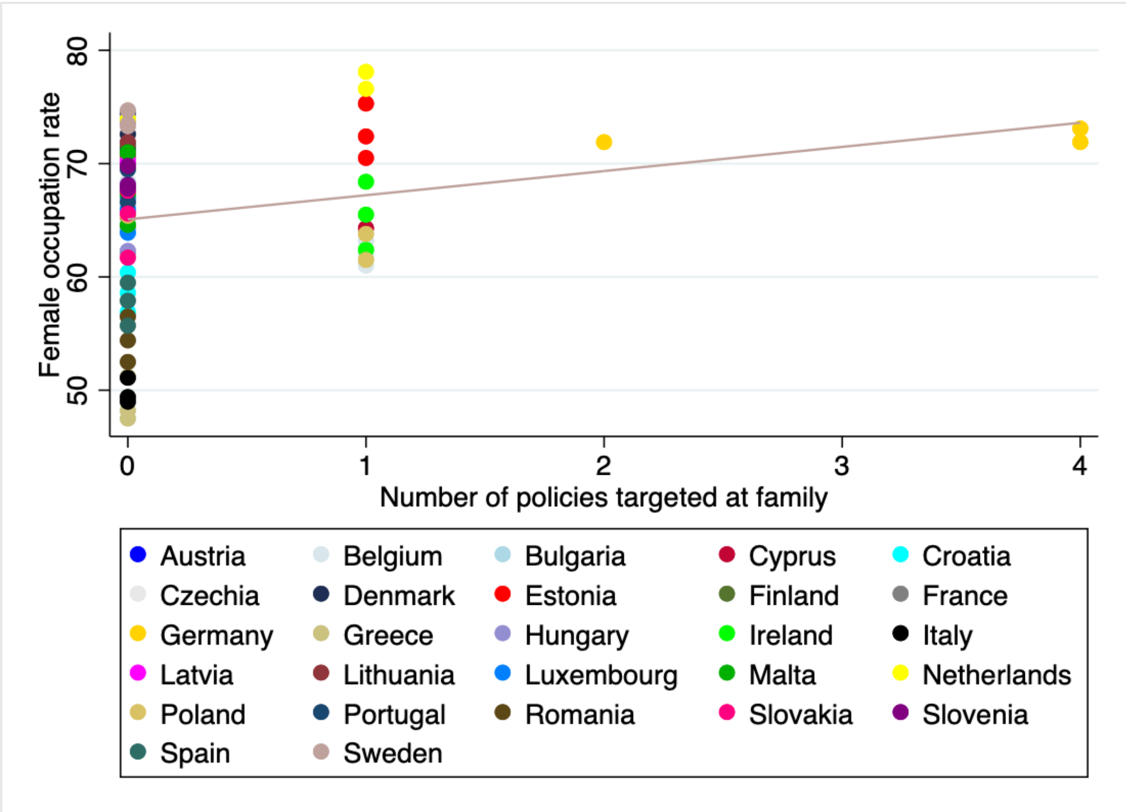
Figure 7: Risk of poverty rate by threshold in EU countries: comparison between 2019 and 2022 levels.



Source: authors' elaboration of data retrieved from Eurostat

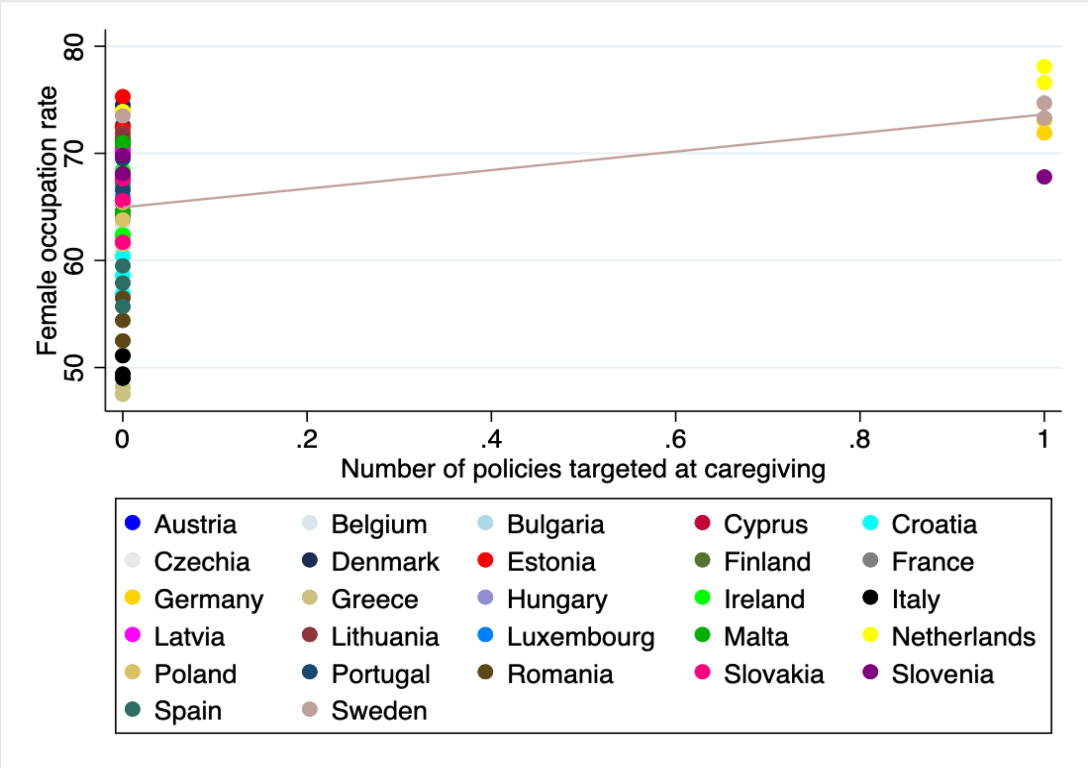
Individuals falling under the "at-risk-of-poverty" category have an equivalised disposable income below the risk-of-poverty threshold, which is defined as 60% of the national median equivalised disposable income after accounting for social transfers. After controlling for GDP per capita and pre-pandemic risk of poverty rates, our analysis did not reveal any correlation between individuals at risk of poverty and the implementation of policies targeted at low-income individuals. It is worth noting that the limited availability of policies specifically aimed at supporting caregiving in the EU during the COVID-19 pandemic poses challenges in assessing the significance of these findings in relation to the risk of poverty rates.

Figure 8: Female employment rate and number of policies specifically addressed to family.



Source: authors' elaboration of data retrieved from the OECD and Eurostat databases.

Figure 8: Female employment rate and number of policies specifically addressed to caregiving



Source: authors' elaboration of data retrieved from the OECD and Eurostat databases.

Thirdly, the analysis focused on the impact of targeted tax measures on female and male employment rates, specifically those aimed at supporting family or caregiving. Notably, a strong positive correlation (p value < 0.001) was identified between the implementation of caregiving-targeted policies and female occupation (Figure 9). This correlation remained significant even after controlling for GDP per capita, indicating that specific and targeted tax measures effectively address equity concerns by promoting female workforce participation. Furthermore, the analysis revealed a positive correlation (p value < 0.01) between the introduction of family-targeted tax policies and female employment (Figure 10). Once again, this correlation persisted after controlling for GDP per capita. These findings underscore the efficacy of implementing targeted tax measures in facilitating increased female workforce participation and addressing gender disparities.

In addition, the introduction of targeted tax measures designed for family and caregiving demonstrated positive effects on male occupation as well. The analysis uncovered evidence of a positive correlation (p < 0.001) between the implementation of family-targeted tax policies and male occupation, even after controlling for GDP per capita. Moreover, a correlation (p < 0.001) was found between the introduction of policies addressing caregiving and an increase in male occupation. Importantly, this correlation held true even when controlling for GDP per capita. These findings highlight the significant role of targeted tax measures in promoting both female and male workforce participation, thereby contributing to the overall goal of addressing equity concerns within the studied context.

4. CONCLUSIONS AND POLICY RECOMMENDATIONS

4.1. Conclusions

Overall, the study reveals that tax measures were a crucial component of the recovery strategies, with various fiscal policies aimed at providing immediate relief, supporting economic recovery, and ensuring stability for businesses and individuals during challenging times. These measures encompassed a wide range of actions, including cuts in tax bases and rates, tax reliefs, exemptions, deferrals, and other supportive mechanisms.

The COVID-19 pandemic had a profound impact on EU economies, causing significant disruptions in various sectors and a decline in GDP. Governments swiftly introduced support measures to alleviate the crisis's impact, affecting tax revenues and fiscal policies. Despite challenges, recovery efforts showed promising signs of economic rebound, backed by the NGEU initiative's substantial support. Governments also responded to rising energy prices and inflation with targeted support measures, aiming to alleviate the burden on households and businesses.

Based on the key findings, the tax reforms implemented by EU Member States in response to the COVID-19 pandemic can be summarised as follows: there were significant changes in personal income taxes, with a focus on permanent adjustments to tax rates and temporary reductions in tax bases primarily targeting labor taxes. Social Security Contributions' (SSC) rates witnessed a general decrease, with some countries opting for permanent increases in the contributions' base and introducing benefits. Corporate taxes saw changes in tax bases and decreases in tax rates, alongside tax benefits, while other taxes, including VAT, were generally reduced, with some countries permanently increasing rates on other taxes. Note that VAT interventions during the pandemic were often targeted at specific sectors heavily impacted by lockdowns and restrictions. However, the broader impact on overall consumer purchasing power was limited due to the targeted nature of these interventions. Overall, the reforms aimed to promote economic recovery, environmental sustainability, and public health.

Lastly, the study assessed the design of these tax measures and their likely impact on key economic factors, such as competitiveness, purchasing power parity, occupation, and income inequality. The analysis on taxation trends and key economic factors found that countries implementing more tax policy measures showed higher competitiveness. Decreasing fiscal pressure through tax base reductions appeared to be the most successful measure in enhancing competitiveness. Increases in the tax rate on personal income tend to be associated with a slight decrease in purchasing power parity. Cuts in personal income tax rates were identified as the most effective measures to stimulate employment, indicating their potential to positively impact occupation levels. Additionally, tax policies aimed at supporting families and caregiving were correlated with a reduction in income inequality among individuals over 65, and a positive correlation was observed between family and caregiving policies and both female and male occupation.

Overall, the study's insights contribute to evidence-based policymaking, allowing to draw lessons from the evaluation of tax measures and their adequacy as economic policy responses and their potential applicability in future crises. By learning from the successes and limitations of the tax measures implemented during the COVID-19 crisis, policymakers can better prepare for and respond to similar challenges in the future. Effective tax policies can play a crucial role in fostering economic stability and ensuring the EU's resilience in the face of future crises.

4.2. Policy recommendations

This study provides insights into the relation between tax policies and economic and social growth, with a specific focus on the reforms implemented by EU Member States in response to the challenges posed by the COVID-19 pandemic. By examining the impact of these tax policies, this report aims to illuminate their role in shaping the post-pandemic recovery and fostering sustainable development within the EU.

Furthermore, in light of the experiences and actions taken by EU Member States during the COVID-19 pandemic, important considerations can be drawn that serve as valuable information for navigating future challenges. By analysing the measures and strategies employed by EU Member States in response to the crisis, this study provides insights that can inform decision-making processes and aid in devising effective policies and frameworks to address future uncertainties. It is through this analysis that valuable lessons can be learned and applied to enhance preparedness and resilience in the face of forthcoming challenges.

Promotion of competitiveness. During times of economic crisis, countries can contemplate reducing corporate taxes while reassessing their tax mix to offset the potential loss in revenues. This strategy aims to bolster competitiveness and attract investments. By implementing such measures, countries can create a conducive environment for businesses to thrive, attract investment, foster innovation, and retain skilled labour. These efforts contribute to enhancing a country's overall competitiveness and positioning it favourably in the global market. As a result, this drives economic growth and facilitates post-pandemic recovery.

To complement the promotion of competitiveness, the use of R&D tax credits can serve as an effective incentive for innovation. Research and development (R&D) investment is a vital driver of long-term productivity and economic growth (Romer, 1990). R&D plays a pivotal role in fostering innovation, which is crucial for long-term competitiveness. As the transition towards a sustainable economy necessitates the adoption of new technologies, investment in and innovation of such technologies are likely to become increasingly important.

Simplification of the tax system. In the quest for an optimal tax system, policymakers face a fundamental trade-off between pursuing a simple tax structure to boost competitiveness and economic growth while offsetting revenue losses or embracing a more intricate system capable of effectively addressing complex economic challenges and promoting wealth redistribution for enhanced social mobility.

On the one hand, a simple tax system can enhance competitiveness, stimulate economic growth, and offset potential revenue losses. The costs associated with tax compliance can discourage business startups, incentivize underground economic activities, increase non-compliance, and harm both firms and countries in terms of competitiveness. By implementing simple and stable tax systems and ensuring efficient and effective tax administrations, compliance costs can be minimised.

On the other hand, an excessively simplified tax system may lack the necessary tools to effectively address more complex economic challenges. Indeed, to some extent complexity may be needed in order to deal with intricate and complicated issues. One of the essential functions of a tax system is its overall ability to redistribute wealth and income within society. By adopting a more progressive structure a tax system can act as a mechanism to mitigate inequalities and support social mobility. In this sense, progressivity is a fundamental feature of a fair tax system. It enables governments to redirect resources to welfare programs, education, healthcare, and infrastructures.

To assess the complexity of a tax system and gain valuable insights into its intricacies, we employ the Tax Complexity Index by the Global Tax Complexity Project (Figure 10). The Tax Complexity Index is a comprehensive framework designed to measure and analyze the various facets that contribute to the convoluted nature of tax systems worldwide. It assesses the intricacy of a nation's corporate income tax system as experienced by multinational corporations. The index evaluates both the complexity inherent in different tax regulations (referred to as tax code complexity) and the complexity arising from the features and processes of the tax system (referred to as tax framework complexity).

It is scaled from zero to one, with zero representing a non-complex system and one indicating an exceedingly complex one. Upon examining these data, it is evident that there is considerable variation in the complexity of taxation systems within the European Union. The disparity in tax codes and frameworks across Member States present a significant challenge in identifying harmonisation trends. The substantial differences in tax regulations, procedures, and structures pose hurdles to achieving a unified approach to taxation within the EU. This complexity underscores the intricate nature of tax systems, making the pursuit of tax system alignment a complex endeavour for policymakers and tax professionals alike.

The tradeoff between the simplification of the tax system and the ability to face complicated challenges is amplified during periods of crisis.

On one hand, a simplified tax system is crucial to enhance competitiveness, stimulate economic growth, and raise tax revenues to provide governments with the necessary resources to deal with vital socio-economic challenges. On the other hand, in times of economic crisis, the most vulnerable and disadvantaged fractions of the population are the ones that struggle the most, facing multiple challenges such as rising unemployment and increasing financial constraints. For this reason, it is of fundamental importance to have a well-designed, fair and redistributive tax system supporting the most fragile segments of the population.

Thus, providing the right balance between simplicity and progressivity is a delicate task for policymakers. There is the need to create a system that promotes economic growth, social cohesion, and a sense of financial responsibility among citizens.

Support of employment. Reducing labour taxes holds significant potential for stimulating employment, especially in cases where individuals are discouraged from seeking work due to inadequate compensation. Targeted cuts in labour taxes can create more employment opportunities and encourage higher labour force participation. Tax cuts serve as an effective tool for boosting employment, particularly in situations where high labour costs hinder recruitment (labour demand) or where incentives to work are low due to insufficient financial benefits (labour supply). By implementing targeted tax reductions in conjunction with a gradual reduction in benefit payments, aimed at avoiding high marginal tax rates, employment levels can be raised for those currently excluded from the labour market. These measures also contribute to reducing poverty and social exclusion. It is important to note that certain groups, such as second earners, exhibit a higher level of responsiveness to these changes compared to others.

The design of the tax system significantly influences both labour demand and labour supply, particularly in the short term. Reducing the tax burden on labour can provide support for job creation and employment, especially among low-income individuals and second earners who demonstrate relatively high labour-supply elasticities. Considering the overall tax mix, it is crucial to acknowledge that only a few Member States have sufficient fiscal space to implement uncompensated labour-tax cuts. Therefore, careful consideration must be given to the financing of such cuts. Assessing the efficiency and distributional effects of shifting the tax burden to alternative bases is important, as this evaluation ensures that the intended impact on growth and job creation is not compromised.

Temporary and permanent measures. Addressing the economic impact of the COVID-19 crisis through tax measures requires a prudent strategy. Temporary measures, when quickly implemented, play a crucial role in providing immediate relief to individuals and businesses facing financial distress. However, in order to endure stability and predictability, permanent measures are indispensable to establish a framework with lasting effects on revenue generation and economic behavior. Striking a balance between temporary and permanent measures is pivotal: temporary measures offer vital short-term relief, but a sustainable, long-term framework is equally important. The analysis highlights that that a general reduction in fiscal pressure might benefit competitiveness: indeed, reducing tax bases and cutting tax rates are the most effective measures for enhancing competitiveness.

The former, tax base reductions, have been mostly used as a temporary solution, providing immediate relief. Conversely, the latter, tax rate reductions, have been employed as a permanent solution. This balanced approach ensures both short-term relief and long-term resilience.

Therefore, when considering the optimal mix for future crises, a combined strategy is likely to be optimal. It's imperative to carefully assess the nature of the crisis, fiscal sustainability, social impact, and policy objectives in the decision-making process. Flexibility and adaptability are essential, enabling adjustments based on the nature and severity of the crisis.

No one should be left behind. In the midst of the economic challenges posed by the pandemic, it is highly important to give priority to measures that support the enhancement of purchasing power parity (PPP) while addressing associated inequalities. Economic disparities and variations in the cost of living have a profound impact on individuals and communities, particularly those with lower incomes. To promote fairness and equal access to essential goods and services, it is essential to implement measures that bolster PPP, ensuring that individuals can afford basic necessities and maintain a decent standard of living.

Targeted reductions in labour taxes, coupled with a shift towards alternative tax sources such as property taxes, can have positive effects on employment opportunities and contribute to increasing PPP. By alleviating the tax burden on labour, these measures can incentivize job creation and foster economic growth, leading to enhanced purchasing power for individuals.

Moreover, the implementation of family policies plays a crucial role in fostering both female and male participation in the workforce, while simultaneously reducing income inequality. By providing support and incentives for families, such policies create an enabling environment for individuals to actively engage in employment. This, in turn, contributes to the reduction of income disparities and strengthens PPP, as families have greater financial stability and access to resources.

By adopting a multi-faceted approach that includes targeted labour tax reductions, a shift to alternative tax sources, and the implementation of effective family policies, societies can enhance occupational opportunities, promote gender equality in the workforce, reduce income inequality, and ultimately improve purchasing power parity for all individuals.

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ANNEX 1 : Description of the dataset

Variable	Label name	Available Years	Observations	Mean	Median	Standard deviation
Harmonised competitiveness indicator	HCI_CPI	2000-2023	504	106, 2722	101, 2885	18, 44901
GDP per capita	GDPpc	2000-2023	108	9, 841972	10, 04759	0, 8228672
GDP per capita growth rates	GDPpc_growth_rate	2000-2023	108	2, 146652	2, 1	3, 715216
Total occupation rates	total_occrate	2013-2022	81	67, 19529	68, 1	8, 100912
Female occupation rates	fem_occrate	2013-2022	81	62, 11496	63, 1	10, 32173
Male occupation rates	male_occrate	2013-2022	81	72, 24931	72, 6	6, 713565
People at risk of poverty or social exclusion rate	pov_tot_2019	2020-2022	81	16, 32593	15, 4	8, 100912
Males at risk of poverty or social exclusion rate	pov_male_2019	2020-2022	81	15, 42593	15	3, 583461
Females at risk of poverty or social exclusion rate	pov_fem_2019	2020-2022	81	17, 16296	15,8	4, 227956
Inequality of income distribution in 2022 for under 65	ineq_less65_2022	2020-2022	81	4, 819136	4,42	1, 192548
Inequality of income distribution in 2022 for over 65	ineq_more65_2022	2020-2022	81	3, 98481	3,93	0, 9098875
Inequality of income distribution in 2019 for under 65	ineq_less65_2019	2020-2022	81	4, 948889	4,52	1, 313174

Variable	Label name	Available Years	Observations	Mean	Median	Standard deviation
Inequality of income distribution in 2019 for over 65	ineq_more65_2019	2020-2022	81	3, 931111	3,8	0, 7904793
Percentage change in inequality levels for under 65	change_inequality_less65	2020-2022	81	-2.088.221	-2,52918	6, 997502
Percentage change in inequality levels for over 65	change_inequality_more65	2020-2022	81	1, 487401	1,015227	12, 01754
Countries	Country	/	56	/	/	/
Years	Year	2000-2023	24	/	/	/

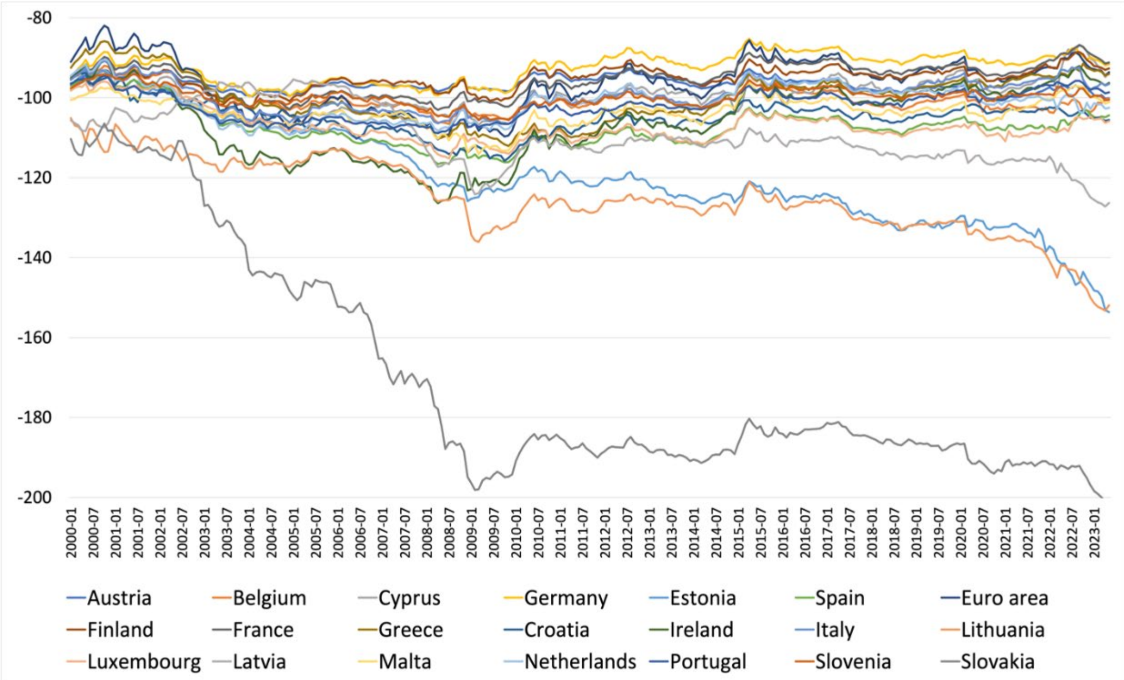
ANNEX 2: ADDITIONAL DATA

Annex 2.1: Total tax revenues, EU-27 countries, 2021

Total tax revenues			
Country	**Increase/Decrease 2011-2021 (pp)**	**Ranking 2021**	**Revenue 2021 (million EUR)**
EU-27	2,1		3 987 632
Belgium	0,3	4	153 232
Bulgaria	3,1	21	15 545
Czechia	0,0	25	46 133
Denmark	3,1	1	161 612
Germany	2,2	12	895 078
Estonia	2,0	20	6 885
Ireland	-4,9	26	76 341
Greece	3,1	10	48 085
Spain	5,4	13	299 276
France	3,1	5	760 236
Croatia	1,6	15	14 383
Italy	1,5	6	531 134
Cyprus	0,9	14	5 931
Latvia	0,5	23	6 976
Lithuania	5,9	19	12 375
Luxembourg	2,3	7	20 267
Hungary	-0,1	18	35 990
Malta	-1,5	16	3 666
Netherlands	4,7	9	227 526
Austria	0,7	8	113 547
Poland	2,9	17	136 778
Portugal	1,6	11	53 432
Romania	-2,3	27	38 409
Slovenia	-0,2	22	11 368
Slovakia	3,4	24	20 042
Finland	1,2	3	78 028
Sweden	0,9	2	215 359

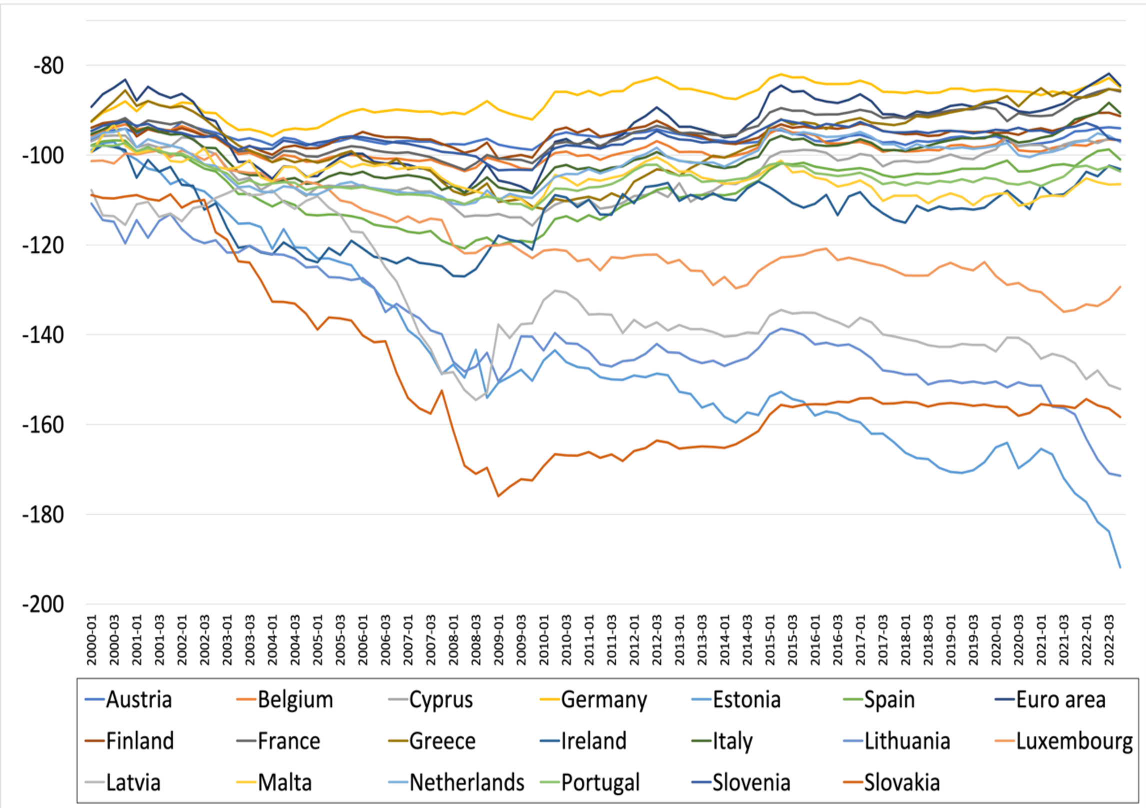
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.2: Monthly data on harmonised competitiveness indicator, adjusted for consumer price indices, for those countries for which the data is available



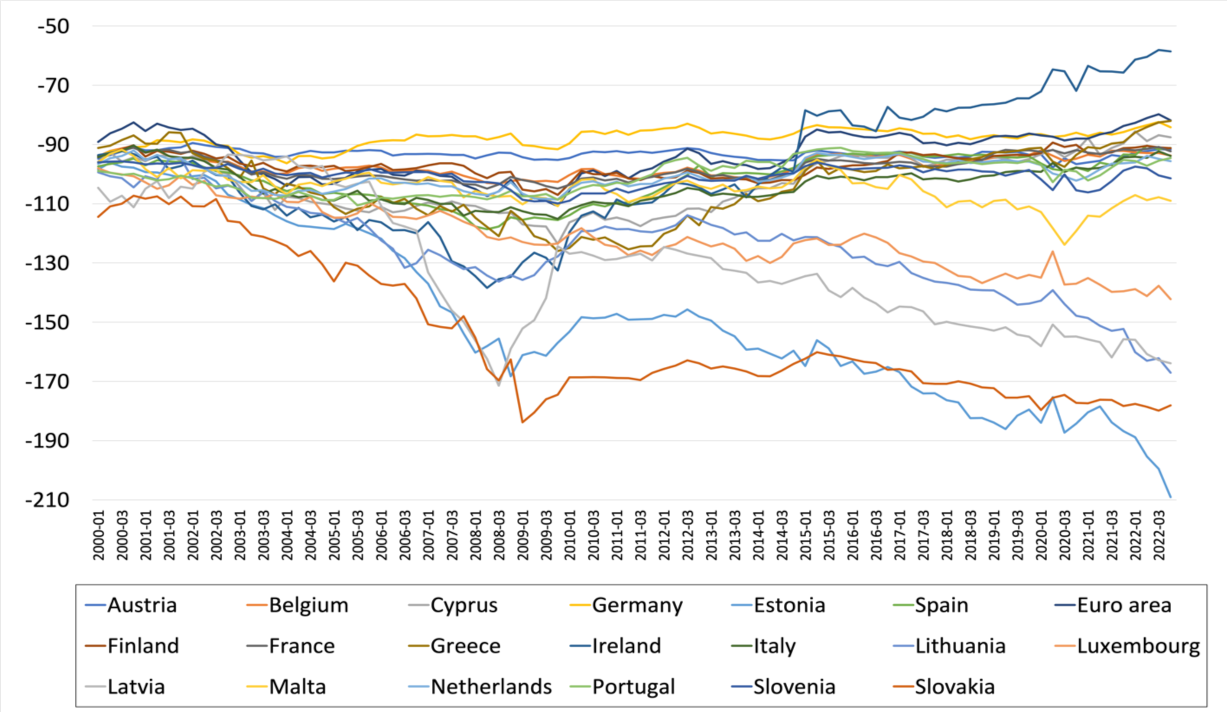
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.3: Monthly data on harmonised competitiveness indicator, adjusted for GDP deflators, for those countries for which the data is available



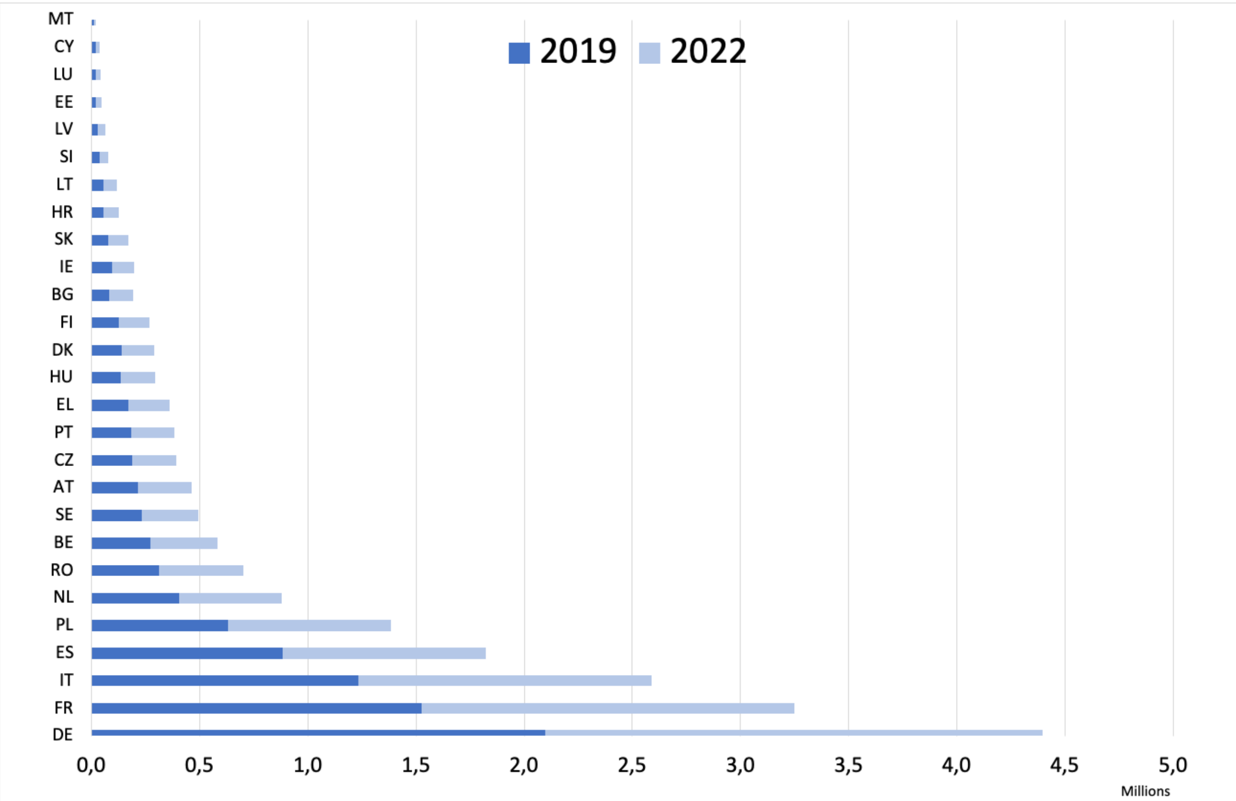
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.4: Monthly data on harmonised competitiveness indicator, adjusted for unit labour cost, for those countries for which the data is available



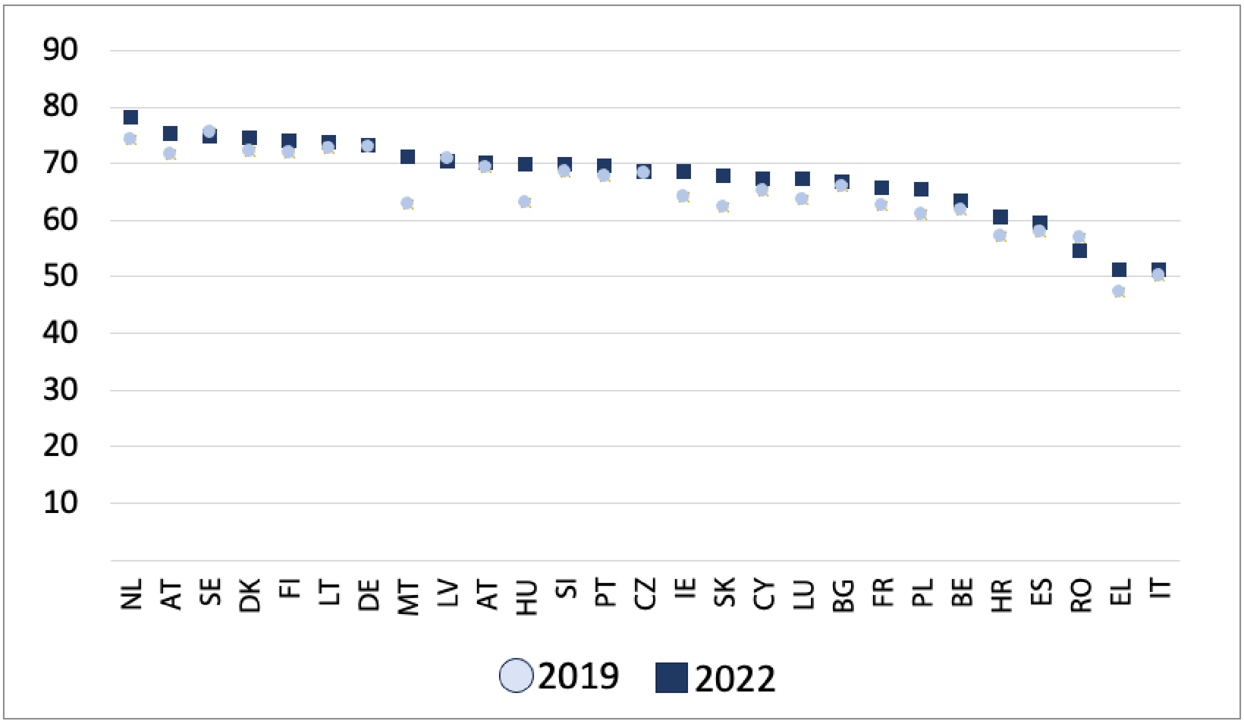
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.5: Data on the PPP_EU27 index (2019 - 2022)



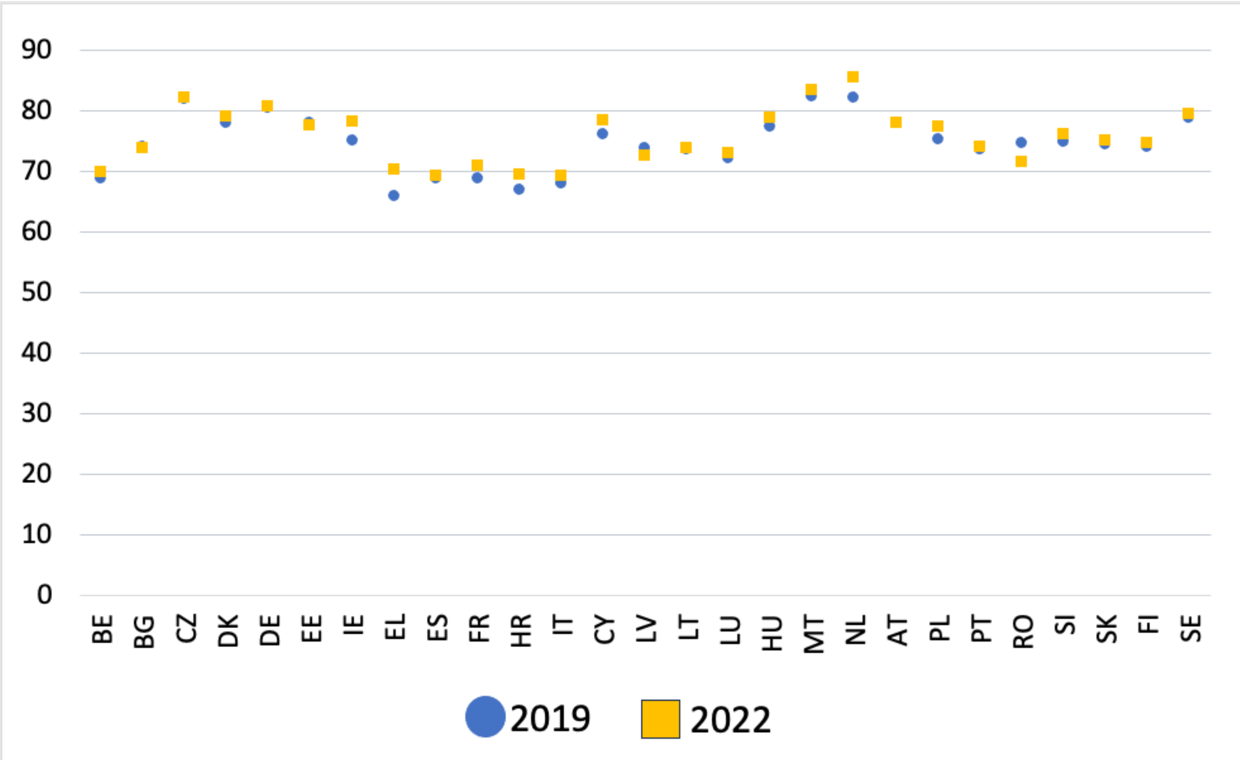
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.6: Annual data on female employment rates (2019 - 2022)



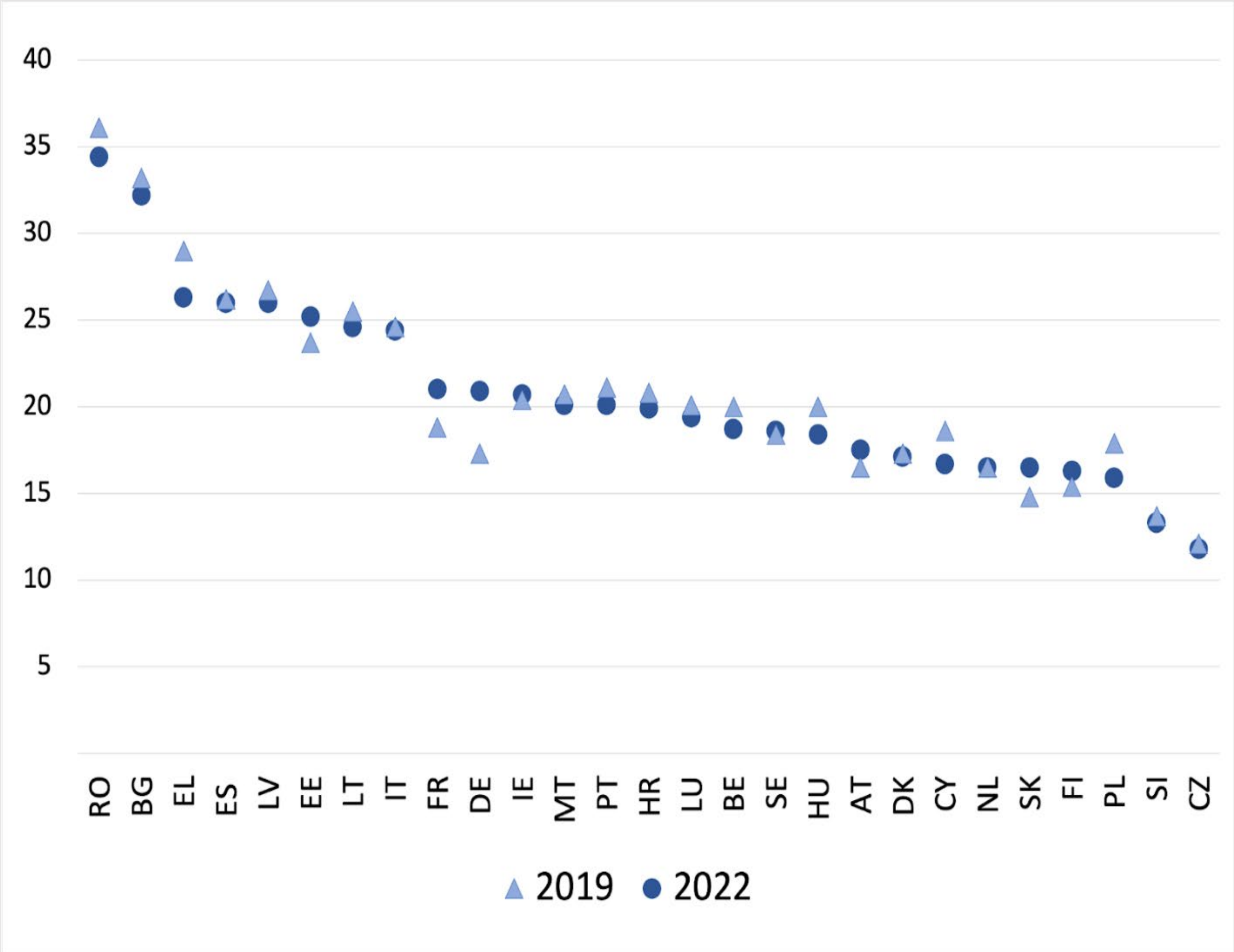
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.7: Annual data on male employment rates (2019 - 2022)



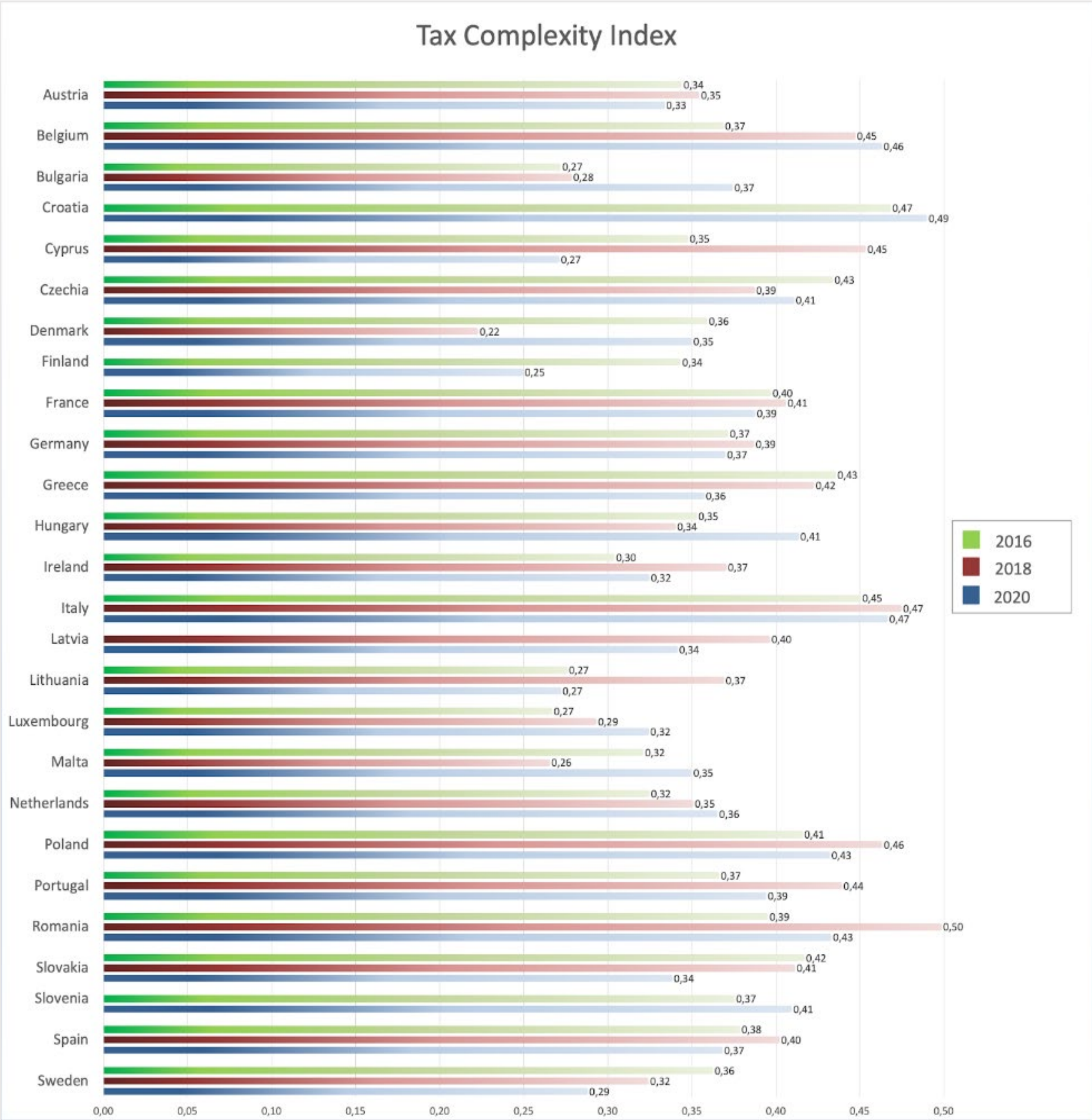
Source: authors' elaboration of data retrieved from Eurostat

Annex 2.8: Annual data on percentage of people at risk of poverty or social exclusion among the total population (2019 - 2022)



Source: authors' elaboration of data retrieved from Eurostat

Annex 2.9: Tax complexity index for EU countries, years 2016, 2018 and 2020



ANNEX 3: Tax policies in EU countries

Annex 3.1: Personal income taxes: tax policies implemented in EU 27 during the pandemic

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
AT	1	Decrease		01-01-2020	Decrease of entry tax rate valid from a taxable income of 11.000 to 18.000 EUR from 25 to 20% (measure also includes increase of max. SSC reimboursement by 100 EUR, improvement of taxation of holiday/christmas-bonuses and the extension of the highest marginal tax rate until 2025)	Increase equity/fairness		Permanent	PI	Low income
AT	2		Decrease	01-07-2020	Increase of the threshold up to which nutrition vauchers provided by the employer are tax free from 1.1 to 2 EUR and from 4.4 to 8 EUR (the latter for restaurant-vauchers) respectively.	Improve health		Permanent	PI: labor	
AT	3		Decrease	01-01-2020	Bonus payments for employees especially burdened during the COVID-19-crisis may receive bonuses from their employers up to a maximum of 3.000 EUR tax free.	Not applicable	31-12-2020	Temporary	PI: labor	
AT	6			01-07-2020	Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment		Permanent	PI	
AT	7			21-09-2020	Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	limited to fiscal year 2020	Temporary	PI	
BE	9	Increase	Neutral	01-01-2020	The percentage of the tax credit for donations from priOther taxes: VATe individuals to accredited associations is increased from 45% to 60% and applies to donations of 40 eur or more.		31-12-2020	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
BE	10	Neutral	Neutral	01-01-2020	indexation suspension for some PIT tax credits or exoneration	Raise revenues		Permanent	PI	
BE	11	Neutral	Neutral	01-01-2020	Increased of the maximal amount of child care expenses eligible to PIT tax credit			Permanent	PI	Family
BE	12	Neutral	Decrease	12-03-2020	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	31-12-2020	Temporary	PI	
BE	13	Neutral	Decrease	01-01-2019	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		31-12-2020	Temporary	PI	
CZ	27	New tax	New tax	27-02-2021	annual tax on the holding of a securities account, levied at the rate of 0.15% on the average value of the account in excess of EUR 1.000.000	Increase equity/fairness		Permanent	PI: property	
CZ	29	Neutral	Decrease	01/01/21	Abolition the super-gross wage, the tax base of employees was reduced.	Increase equity/fairness		Permanent	PI: labor	
CZ	30	Neutral	Neutral	01/01/21	Increase of tax credits for each taxpayer, employee and self employed	Increase equity/fairness		Permanent	PI: labor	
CZ	31	Neutral	Neutral	01/07/20	loss carryback institute (retroactive effect of tax losses for 2020, which can be retroactively applied in tax return for 2019 and 2018)	Not applicable		Permanent	PI	
CZ	32	Unknown\Not Applicable	Unknown\Not Applicable	01/01/21	The possibility of fulfilling a single flat rate payment obligation for personal income tax, social insurance premiums and health insurance premiums has been introduced (for self-	Simplify the tax system/		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					employed persons not being registered to Other taxes: VAT)	increase tax compliance				
DK	41	Unknown\Not Applicable	Unknown\Not Applicable	16/03/20	waiver of sanctions, tax deferrals and their reduction CIT, PIT, Other taxes: VAT, road tax and real estate acquisition tax	Not applicable		Permanent	PI	
DK	43	Increase	Unknown\Not Applicable	01-01-2021	Transportation tax reform 2020: reorganization of car taxation	Promote environmental sustainability		Permanent	PI: property	
EE	44	Decrease	Unknown\Not Applicable	01/01/21	National budget compromise for 2021: higher tax exemption for selected craft services and tax exemption for gift cards paid by employers.	Boost economic growth	01/01/22	Temporary	PI: labor	
EE	45	Neutral	Decrease	01/01/20	Introduction of supplementary basic allowance for 3rd child	Increase equity/fairness		Permanent	PI	Family
FI	46	Neutral	Decrease	01/01/20	Forest income tax exemption increase to 5000 EUR	Increase equity/fairness		Permanent	PI	
FI	55	Neutral	Neutral	01-05-2020	Payment arrangements with eased terms. In a regular payment arrangement, the late-payment interest is 7% and the first instalment must be paid within one month from the start of the arrangement.The payment arrangement with eased terms was based on a temporary legislative amendment, which allowed for a late-payment interest rate of 2.5% to be applied on taxes included in a payment arrangement that fell due between 1 March and 31 August 2020.	Support employment or enhance skills	31-08-2020	Temporary	PI	
FI	56	Neutral	Decrease	01-01-2021	Full adjustment for the raise in general earnings level to the central government earned income tax scale.	Not applicable		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
FI	57	Neutral	Decrease	01-01-2021	Increase in the earned income tax credit.	Support employment or enhance skills		Permanent	PI	
FI	58	Neutral	Decrease	01-01-2021	Increase of the basic allowance in municipal taxation.	Increase equity/fairness		Permanent	PI	
FI	59	Neutral	Decrease	01-01-2021	The transition to low-emission transport is supported by implementing a tax reform concerning employment-related transport benefits in kind. The taxable value of fully electric vehicles used as company cars will be lowered and the charging benefits of electric vehicles at workplaces and in public recharging points will be made a tax-free benefit in 2021–2025. In addition, the taxation of employer-subsidised commuter tickets will be simplified and company bicycles will be made a tax-free benefit up to EUR 1,200.	Promote environmental sustainability		Permanent	PI: property	
FR	60	Neutral	Decrease	01-01-2021	When non-listed limited liability companies issue shares to employees, the subscription price may be lower than the shares' market value. However, if the subscription price is at least equal to the share's mathematical value, an individual employee who buys such shares will not be treated as having received a taxable benefit.	Support employment or enhance skills		Permanent	PI	
DE	71	Decrease	Neutral	01-01-2021	Creation of a tax credit for lessors - part on PIT	Not applicable	31-12-2021	Temporary	PI: property	
DE	81	Unknown\Not Applicable	Decrease	01-01-2020	Depreciation allowances for movable assets such as machinery have been improved for a fixed period (the 2020 and 2021 tax years).	Support investment	31-12-2021	Temporary	PI: property	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
DE	82	Unknown\Not Applicable	Decrease	01-01-2020	Tax options for offsetting losses against the previous year's profits were expanded. Loss carry backs have been increased to a maximum of €5 million (or €10 million in the case of joint assessments) for 2020 and 2021. In addition, it is possible to apply loss carry backs to 2019 tax returns.	Not applicable	31-12-2021	Temporary	PI	
DE	83	Unknown\Not Applicable	Decrease	01-01-2020	Increase of the single-parent income tax allowance from €1,908 to €4,008 per year in tax years 2020 and 2021	Not applicable	31-12-2021	Temporary	PI	Family
DE	84	Unknown\Not Applicable	Unknown\Not Applicable	01-07-2020	Families with children received a bonus benefit payment of €300 per child in 2020.	Encourage consumption	31-12-2020	Temporary	PI	Family
DE	86	Unknown\Not Applicable	Unknown\Not Applicable	01-07-2020	Improving the maximum level of R&D tax support for a fixed period of 6 years.	Support investment	30-06-2026	Temporary	PI	
DE	88	Unknown\Not Applicable	Unknown\Not Applicable	01-07-2020	Trade Tax: Increase of the allowance for additions of financing components	Not applicable		Permanent	PI	
DE	89	Unknown\Not Applicable	Unknown\Not Applicable	01-07-2020	Increase of the factor for the computation of the maximum amount of the trade tax allowance	Increase equity/fairness		Permanent	PI	
DE	90	Unknown\Not Applicable	Unknown\Not Applicable	01-07-2020	Increase in the gross list price for the tax relief on the priOther taxes: VATe use of a carbon-free company car	Promote environmental sustainability		Permanent	PI	
DE	93	Unknown\Not Applicable	Decrease	01-01-2021	Increase of basic personal allowance from 9,408€ by 336€ to 9,744€ as of 1 January 2021	Not applicable		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
DE	94	Unknown\Not Applicable	Decrease	01-01-2021	Adjustment for fiscal drag by 1.52% as of 1 January 2021	Not applicable		Permanent	PI	
DE	95	Unknown\Not Applicable	Decrease	01-01-2021	Increase of the basic allowance for children from 7,812€ by 576€ to 8,388€ as of 1 January 2021	Not applicable		Permanent	PI	Family
DE	96	Unknown\Not Applicable	Decrease	01-01-2021	Increase of child benefit by 15€ per child per month as of 1 January 2021	Not applicable		Permanent	PI	Family
DE	97	Unknown\Not Applicable	Decrease	01-01-2022	Increase of the maximum amount of the allowance for maintenance payments to legally entitled persons	Not applicable		Permanent	PI	Family
DE	98	Unknown\Not Applicable	Decrease	01-01-2022	Further increase of basic personal allowance from 9,744€ by 240€ to 9,984€ as of 1 January 2022	Not applicable		Permanent	PI	
DE	99	Unknown\Not Applicable	Decrease	01-01-2022	Adjustment for fiscal drag by 1.17% as of 1 January 2022	Not applicable		Permanent	PI	
DE	100	Unknown\Not Applicable	Decrease	01-01-2021	Increase of tax reliefs for persons with disabilities and persons in need of nursing care	Not applicable		Permanent	PI	Caregiving
DE	101	Unknown\Not Applicable	Decrease	29-12-2020	Introduction of a home office allowance for the tax years 2020 and 2021 limited to 600€ per calendar and business year	Not applicable	31-12-2021	Temporary	PI	
DE	102	Unknown\Not Applicable	Decrease	01-01-2022	Temporary increase of the single-parent income tax allowance from €1,908 to €4,008 per year in tax years 2020 and 2021 will be converted into a permanent one as of 1 January 2022	Not applicable		Permanent	PI	Family

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
DE	103	Unknown\Not Applicable	Decrease	20-06-2020	Tax exemption for bonuses up to 1,500€ paid to employees by the employer, between 1 March 2020 and 31 December 2020	Not applicable	31-12-2020	Temporary	PI	
DE	104	Unknown\Not Applicable	Decrease	20-06-2020	Tax exemption for bonuses up to 1,500€ paid to employees by the employer, between 1 March 2020 and 31 December 2020; diminishes company profits, refers to CIT and trade tax as well.	Not applicable	31-12-2020	Temporary	PI	
DE	105	Unknown\Not Applicable	Decrease	01-01-2021	Tax exemption for bonuses up to 1,500€ paid to employees by the employer, between 1 March 2020 and 30 June 2021	Not applicable	30-06-2021	Temporary	PI: labor	
DE	106	Unknown\Not Applicable	Decrease	01-01-2021	Tax exemption for bonuses up to 1,500€ paid to employees by the employer, between 1 March 2020 and 30 June 2021; diminishes company profits, refers to CIT and trade tax as well.	Not applicable	30-06-2021	Temporary	PI: labor	
DE	107	Unknown\Not Applicable	Decrease	20-06-2020	Tax exemption for employer supplements to short-time compensation, between 1 March and 31 December 2020, on certain conditions	Not applicable	31-12-2020	Temporary	PI: labor	
DE	108	Unknown\Not Applicable	Decrease	20-06-2020	Tax exemption for employer supplements to short-time compensation, between 1 March and 31 December 2020, on certain conditions; diminishes company profits, refers to CIT and trade tax as well.	Not applicable	31-12-2020	Temporary	PI: labor	
DE	109	Unknown\Not Applicable	Decrease	01-01-2021	Tax exemption for employer supplements to short-time compensation, between 1 March 2020 and 31 December 2021, on certain conditions	Not applicable	31-12-2021	Temporary	PI: labor	
DE	110	Unknown\Not Applicable	Decrease	01-01-2021	Tax exemption for employer supplements to short-time compensation, between 1 March 2020 and 31 December 2021, on certain conditions; diminishes company profits, refers to CIT and trade tax as well.	Not applicable	31-12-2021	Temporary	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
DE	112	Unknown\Not Applicable	Decrease	01-01-2021	Increase of allowances for voluntary service	Not applicable		Permanent	PI	
DE	113	Unknown\Not Applicable	Decrease	01-01-2022	Increase of the exemption limit for non-cash benefits from € 45 to € 50 per month	Not applicable		Permanent	PI: labor	
DE	115	Neutral	Neutral		The deadline for filing tax returns prepared by tax advisors is extended to 31 August 2021 for tax returns for tax year 2019.			Permanent	PI	
DE	116	Unknown\Not Applicable	Decrease	18-03-2021	Tax options for offsetting losses against the previous year's profits were expanded. Loss carry backs have been increased to a maximum of €10 million (or €20 million in the case of joint assessments) for 2020 and 2021.			Permanent	PI	
EL	118	Unknown\Not Applicable	Unknown\Not Applicable	18-03-2021	Families with children receive a bonus benefit payment of €150 per child in 2021.	Encourage consumption	31-12-2021	Temporary	PI	Family
EL	122	New tax	Increase	01/01/20	New non-dom regime applies, enabling individuals entitled to a pension that arises abroad to transfer their tax residence to EL and be subject to alternative taxation for 15 years,upon meeting specific requirements	Raise revenues		Permanent	PI	
EL	123	Decrease	Neutral	01/01/20	Exemption from special solidarity surcharge of income from business acitivity, capital (dividends, interest, royalties, real estate), goodwill from capital trasnfer	Increase equity/fairness	31/12/20	Temporary	PI: capital	
EL	124	Decrease	Neutral	01/01/21	Exepmption from special solidarity surcharge of income from salaries of the priOther taxes: VATe sector	Increase equity/fairness	31/12/21	Temporary	PI: labor	
EL	125	New tax	Increase	01/01/2021	New regime for the alternative way of taxing 50% of their income from salaried employment,	Raise revenues		Permanent	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					as well as from business activity arising in EL, for individuals transferring their tax residence to EL					
EL	170	Unknown\Not Applicable	Unknown\Not Applicable	01/01/20	Extension of the reduction of ENFIA for year 2020, based on total value of real estate.	Increase equity/fairness	31/12/20	Temporary	PI: property	
EL	171	Unknown\Not Applicable	Unknown\Not Applicable	01/01/20	Extention for year 2020 of the exemption of agricultural parcels of natural persons from the supplementary ENFIA,	Increase equity/fairness	31/12/20	Temporary	PI: property	
HU	172	Unknown\Not Applicable	Neutral	01/03/2021	new rates on taxable gains from lotteries	Increase equity/fairness		Permanent	PI: property	
IE	205	Neutral	Neutral	07-04-2020	Motor vehicle tax will be reallocated from local governments (municipalities) to the Epidemic Control Fund. The measure is budget neutral.	Not applicable		Permanent	PI: property	
IE	212	Unknown\Not Applicable	Neutral	01/10/20	The Stay and Spend Incentive provides tax relief by means of a tax credit at the rate of 20% on qualifying, on-premises, expenditure of up to €625 per person, or €1,250 for a jointly assessed couple, in respect of 2020 and 2021 for expenditure on qualifying food and accommodation services in the hospitality sector. The tax credit is worth a maximum of €125, or €250 for a jointly assessed couple.	Encourage consumption	30/04/21	Temporary	PI	
IE	213	Neutral	Neutral	01/01/20	The 31 March income tax filing deadline for individuals who received real-time foreign tax credits for Restricted Stock Units (RSUs) through payroll in 2019 and 2020 has been suspended and the filing deadline for such individuals will revert to the standard income tax filing date (31 October 2020 and 2021 respectively).	Simplify the tax system/ increase tax compliance	31.12.2021	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IE	214	Neutral	Neutral	01-01-2020	A BIK charge will not arise where an employer performs COVID-19 testing on an employee at the workplace or engages a third party to do so on their behalf, or where an employer provides a COVID-19 test kit to an employee for self-administration.	Improve health	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	
IE	215	Decrease	Decrease	01-01-2020	A BIK charge will not arise where an employer facilitates an employee in obtaining a flu vaccine by i) engaging a GP to administer a flu vaccination, ii) making a payment to a registered GP on behalf of an employee, or iii) reimbursing an employee for the costs incurred in obtaining a vaccination.	Improve health	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	
IE	216	Decrease	Decrease	01/01/20	A charge to tax will not where an employer reimburses an employee for costs incurred in respect of return travel to the State or cancellation of a holiday/flight (for both the employee and family members who were on holiday or due to go on holidays with the employee) if the employee is integral to the business, was required by his/her employer to return to or be present in the State to deal with issues related to the COVID-19 crisis, the costs reimbursed by the employer are reasonable and the employee is not otherwise compensated.	Improve health	31.12.2020	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IE	217	Decrease	Decrease	01/01/20	A BIK charge will not arise in respect of an employer-provided vehicle where, during the COVID-19 pandemic, the employer takes back possession of the vehicle or the employee is prohibited by the employer from using the vehicle. Where the employee retains possession of and is permitted to use the vehicle, but limited or reduced business travel (if any) is undertaken the BIK charge may be calculated having regard to the business travel which would have been undertaken in the absence of any COVID related travel restrictions. Business travel undertaken in January 2020 is the suggested base month to be used for determining the BIK charge in such circumstances, but a reasonable alternative may be used where this is not appropriate e.g. where the employee had no business mileage for their current role in January 2020. The reasonable alternative used must have due regard to the specific role held by the employee and the business travel they would be expected to undertake in that role in the absence of COVID related travel restrictions.	Simplify the tax system/ increase tax compliance	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	
IE	218	Neutral	Neutral	01/01/20	The special rules used for determining BIK charge on employer provided vehicles for employees working in the motor industry, which require the employee to change the vehicle they use on a monthly basis, will continue to apply during the COVID-19 crisis where the employee availed of the special rules from January 2020 but has been unable to change their vehicle within the one month timeframe since then due to the COVID-19 restrictions in place.	Simplify the tax system/ increase tax compliance	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IE	219	Decrease	Decrease	01/01/20	A BIK charge will not arise where, for the duration of the COVID-19 crisis, an employer pays for a taxi to transport an employee between their home and work due to health and safety concerns.	Improve health	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	
IE	220	Neutral	Decrease	01/01/20	Current legislative provisions enable employers to award an employee with one qualifying incentive per year, up to the value of €500, without a charge to tax arising. The requirement that only one qualifying incentive may issue to employee each year is waived, and an employer may now issue up to two such incentives to an employee where the employee continued to work during the period of COVID related restrictions, the additional award is related to an employee's exceptional efforts during the COVID-19 crisis and the cumulative value of both incentives does not exceed €500.	Simplify the tax system/ increase tax compliance	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI: labor	
IE	221	Decrease	Decrease	01/01/20	A BIK charge will not arise where, during the course of the COVID-19 pandemic, an employer provides accommodation to an employee on a temporary nature to mitigate against the risk of transmission such as in cases where an employee returns from an overseas trip and is required to self-isolate, or where there are concerns of transmission to frontline workers living in their household.	Improve health	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
							under review.			
IE	222	Neutral	Neutral	01/01/20	The exemption which applies to retraining costs paid by an employer as part of a termination package will continue to apply where an employment is terminated during the COVID-19 crisis and the retraining is completed within 6 months of the date the training first becomes available following the end of the COVID-19 crisis, as opposed to 6 months from the date of termination.	Support employment or enhance skills	Measure will cease to apply to terminations made from 1st May 2021 onwards.	Temporary	PI	
IE	223	Neutral	Neutral	01/01/20	Where an individual who is registered as a full-time student at a university, school or other educational establishment is in receipt of scholarship income they will not be precluded from claiming an exemption from same if they have been unable to obtain a PPS Number due to the COVID-19 pandemic, provided all other conditions of the relief are met.	Simplify the tax system/ increase tax compliance	31.12.2020	Temporary	PI	
IE	224	Unknown\Not Applicable	Unknown\Not Applicable	01/01/20	The prevention of a planned departure from the State will be considered a force majeure circumstance for the purpose of establishing an individual's tax residence position if the departure was prevented due a specific number of COVID-19 related reasons. The length of time which may be disregarded for the purpose of establishing an individual's tax residency status is the number of days from the day after the individual's intended date of departure and the earlier of their actual date of departure or 18th May 2020, provided the actual departure date is on or before 1st June 2020 (unless the individual had COVID-19 and was unable to leave by that date on health grounds). Where the individual	Simplify the tax system/ increase tax compliance	31.12.2020	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					was in the State on or prior to 23rd March 2020 there are no additional limits on the number of days which can be disregarded under this measure, however for individuals arriving in the State between 24th March 2020 and 5th May 2020 the maximum number of days which can be disregarded for the purposes of establishing an individual's residency status is 30 days. This relief is conditional on the individual remaining tax resident in the another jurisdiction. If the individual arrived in the State after 5th May 2020 these force majeure provisions do not apply.					
IE	225	Neutral	Neutral	23/03/20	Restricted access for the public to many section 482 properties as a result of the ongoing pandemic. Revenue will not withdraw a determination due solely to the property not meeting the public access requirement in 2020, this has been extended to 31 March 2021 and will be reviewed further at that stage.	Simplify the tax system/ increase tax compliance	31.03.2021 (subject to review)	Temporary	PI	
IE	226	Neutral	Neutral	23/03/20	Temporary easing of the requirement that, in order to avail of the exemption from tax contained in section 216C, child minders look after children in their home, rather than in that of the minder, in keeping with Government advice. This was done in consultation with the Department of Children.	Simplify the tax system/ increase tax compliance	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	PI	Family

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IE	227			01/08/20	The Financial Provisions (COVID-19) (No. 2) Act 2020 introduced a new once-off income tax relief for self-employed individuals carrying on a trade or profession who were profitable in 2019 but, as a result of the COVID-19 pandemic, incurred losses in the 2020 tax year. These provisions allow such individuals to claim to have those losses (and certain unused capital allowances) up to a maximum amount of €25,000 carried back and deducted from their profits for the tax year 2019. This will reduce the amount of income tax payable in respect of those profits and by also allowing for claims for the 2020 loss relief carry-back to be made on an interim basis, the result is a cash flow boost to those taxpayers during 2020.	Support employment or enhance skills		Permanent	PI: labor	
IT	228	Neutral	Neutral	17/09/20	For customers who file their 2019 Self-assessed Income Tax Return and make the appropriate payment through the Revenue Online Service (ROS) in respect of Preliminary Tax for 2020 and any Income Tax balance due for 2019, the due date was extended by 4 weeks from 12 November 2020 to Thursday, 10 December 2020.	Simplify the tax system/ increase tax compliance	10.12.2020	Temporary	PI	
IT	259	Neutral	Decrease	17/03/20	Tax credit of 30% for charitable donations linked to the COVID-19 emergency.			Permanent	PI	
IT	260	Neutral	Decrease	19/05/20	Tax credits of up to 110% for restructuring of domestic buildings aimed at improving energy efficiency and structural and seismic resilience; the measure is benefitted by households over 5 years. It is also possible to transfer the tax credit to the firm performing renoOther taxes: VATion (in this case the tax credit is 100%).	Boost economic growth	31/12/21	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IT	261		Decrease	19/05/20	Touristic vouchers that takes the form of a tax credit between EUR 150 - 500 granted to household with income lower than EUR 40.000. Both tax credits can be transferred to hotels, construction companies as well as financial intermediaries.		31/12/20	Temporary	PI	Low income
IT	262	Neutral	Decrease	15/08/20	Seasonal workers, self-employed workers and employees operating in entertainment which lost their job are granted a lump-sum benefit of 1000€. The grant is about 600 € for maritime workers and workers operating in the sporting sector. The benefit doesn't contribute to the tax base.		31/12/20	Temporary	PI: labor	
IT	263	Neutral	Decrease	25/12/20	Non-repayable grants previously introduced are strenghtened. The measure is addressed to tax-payers affected by containement measures introduced in October and November, including agents, door-to-door salesman, hotels, restaurants, retailers, shopping malls and businesses operating in entertainment and sporting sectors which suffered at least 1/3 drop in turnover in April 2020 compared to April 2019. The grant is proportional to their size and to the turnover drop. The measure is applied independently from their turnover to new firms actiOther taxes: VATed after 1st January 2019. The minimum amount of the grant is 1,000 euros for self-employed and entrepreneurs and 2,000 euros for limited liability firms. Grants do not contribute to the tax base. The maximum amount of the grant is 150,000 euros.		31/12/20	Temporary	PI: labor	
IT	264	Neutral	Decrease	25/12/20	Further lump-sum benefits are granted to workers operating in the most hitted sectors (including sport and entertainment), to freelances and to seasonal workers.		31/12/20	Temporary	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IT	265	Neutral	Decrease	01/01/21	The non refundable tax credit, temporary introduced for 2020, has been made permanent as from 2021. The measure concerns employees with PIT income level over 28,000 euros, starting from an amount of 1200 euros and decreasing gradually to 960 euros at 35,000 euros of PIT income level. Above 35,000 the tax credit amount decreases gradually, down to 0 at 40,000 euros of PIT income level.	Encourage consumption		Permanent	PI: labor	
IT	266	Neutral	Decrease	01/01/21	The building renoOther taxes: VATion tax credit has been extended to 2021. The allowance consists of the 36% of expenses, (previously 50%).	Boost economic growth	31/12/21	Temporary	PI	
IT	267	Neutral	Decrease	01/01/21	The Energy requalification tax credit has been extended to 2021. The allowance consists of the 36% of expenses, (previously 50% and 65%).	Boost economic growth	31/12/21	Temporary	PI	
IT	268	Neutral		01/01/21	The building facades restoration tax credit has been extended to 2021 in the extent of the 90% of expenses.	Boost economic growth	31/12/21	Temporary	PI	
IT	269	Neutral	Decrease	01/01/21	The furniture and large appliances purhase tax credit has been extended to 2021 in the extent of 50%	Boost economic growth	31/12/21	Temporary	PI	
IT	270	Neutral	Decrease	01/01/21	Tax credits of up to 110% for restructuring of domestic buildings aimed at improving energy efficiency and structural and seismic resilience; the measure is benefitted by households over 5 years. It is also possible to transfer the tax credit to the firm performing renoOther taxes: VATion (in this case the tax credit is 100%). Previously introduced as for the cost incurred in 2021, the measure has been extended to 30th june 2022. In some particular cases, if a relevant part of the	Boost economic growth	30/06/22	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					costs has been incurred within the 30th june the measure is in force until 31th december 2022.					
IT	271	Neutral	Decrease	08/04/20	Self-employed revenues and fees are exempted from tax advance payment duties in the period 17th March 2020 - 31th May 2020. The allowance is applied to self-employed with a revenues level lower than 400 000 euros in 2019.		31/05/20	Temporary	PI: labor	Low income
IT	272	Neutral	Decrease	19/05/20	Tax credit of 60% on the rent of march, April and may for buildings where the activity is carried out by companies (including no-profit), craftsmen and self-employed workers with a turnover of less than 5 million euros in 2019 and which suffered a reduction of turnover greater than 50%. This tax credit is due to hotels regardless of their dimension. The tax credit can be transferred to financial intermediaries as well as other firms providing a discount.		31/12/20	Temporary	PI: labor	
IT	273	Neutral	Decrease	15/08/20	Tax credit of 60% on the rent of march, April, May and June for buildings where the activity is carried out by companies (including no-profit), craftsmen and self-employed workers with a turnover of less than 5 million euros in 2019 and which suffered a reduction of turnover greater than 50%. This tax credit is due to hotels regardless of their dimension also for July. The tax credit can be transferred to financial intermediaries as well as other firms providing a discount. Such a measure extends a previously existing one and additional € 340 million are allocated to support tourism (100 million refers to rents).		31/12/20	Temporary	PI: labor	
IT	274	Neutral	Decrease	19/05/20	In order to encourage investments in the real economy, tax incentives for individual savings	Encourage savings		Permanent	PI: capital	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					plans are reinforced for investments in financial assets issued by non-listed companies.					
IT	305	Neutral	Neutral	19/05/20	Hotels are exempted from payment of municipal property tax on buildings (IMU). Restaurants are exempted from the payment of land-use fees.		31/12/20	Temporary	PI: property	
IT	306	Neutral	Neutral	15/08/20	Hotels, restaurants, clubs, theathers, thermal baths and trade shows are exempted from payment of municipal property tax on buildings (IMU). Restaurants are exempted from the payment of land-use fees. Such a measure extends a previously existing one and additional € 260 million are allocated.		31/12/20	Temporary	PI: property	
IT	307	Neutral	Decrease	25/12/20	Firms operating in the most suffering sectors, including tourism, entertainment and retail trade, are exempted from paying the second installment of municipal property tax on buildings (IMU). Restaurants, hotels and retailers are exempted from the payment of land-use fees.		31/12/20	Temporary	PI: property	
IT	308	Neutral	Neutral	02/03/20	Suspension of tax payments for individuals and firms resident in the 11 municipalities of the so-called Red Zone (50 000 inhabitants of the area initially hit by the virus and subject to a complete ban of individual movements) in the period 21 February until 30 April 2020.		30/04/20	Temporary	PI	
IT	314	Neutral	Decrease	19/05/20	Non-repayable grants to businesses, agricultural enterprises and self-employed workers, under EUR 5 million of turnover, which had at least 1/3 drop in turnover in April 2020 compared to April 2019. The grant is proportional to their size and to the drop according to the following rates: 20% of the drop, with revenues not exceeding		31/12/20	Temporary	PI: labor	Low income

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					EUR 400,000, 15% with revenues up to EUR 1 million and 10% with turnover up to EUR 4 million. The measure is applied, in a fixed amount, independently from their turnover to new firms actiOther taxes: VATed after 1 January 2019 and to firms resident in the Red Zones identified at the beginning of the COVID-19 emergency. Grants do not contribute to the tax base.					
IT	317	Neutral	Neutral	25/12/20	Suspension of Other taxes: VAT, SSCs and withhold PIT payments due by december 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros in 2019 if the 2020's November revenues decrease is at least the 33% of the 2019's corresponding month revenues. The suspension holds independently by their size for tax-payers operating in the most hitted sectors as well as activities started after Novemebr 2019. Payments are due by March 2021.		31/12/21	Temporary	PI: labor	Low income
LV	321	Neutral	Neutral	17/03/20	For March 2020, employees operating in the entertainment, agricultural and touristic sector as well as self-employed workers are provided a lump sum benefit of 600 euros which does not have to be included in taxable income.		30/03/20	Temporary	PI: labor	
LV	330	Neutral	Decrease	01.01.2021	Increase of threshold to which PIT differential non-taxable minimum is applied up to 1 800 euro	Increase equity/fairness		Permanent	PI: labor	Low income
LV	331	Neutral	Neutral	22.03.2020	Self-employed personal income tax advance payments deferred for 2020	Boost economic growth	31.12.2020	Temporary	Other measures: deferrals	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
LV	332	Neutral	Neutral	23.12.2020	Self-employed personal income tax advance payments deferred for 2021	Boost economic growth	31.12.2021	Temporary	Other measures: deferrals	
LT	353	Neutral	Neutral	01.01.2021	Redistribution of PIT between local government/state budgets from 80%/20% to 75%/25%	Increase equity/fairness		Permanent	PI: labor	
LT	354	Neutral	Decrease	18-12-2020	Expansion of PIT allowance for studies	Support employment or enhance skills		Permanent	PI	
LU	355	Neutral	Decrease	01-07-2020	The maximum monthly non-taxable amount increased from EUR 350 (as budgeted for 2020 before COVID-19 crisis) to EUR 400 as of 1 July 2020, applicable as of 1 January 2020.	Increase equity/fairness		Permanent	PI	
LU	367	Neutral	Decrease	01-01-2021	The existing tax credit for employees, self-employed people and pensioners is slightly modified. The current limit of 600 EUR is increased to 696 EUR.	Increase equity/fairness		Permanent	PI: labor	
LU	368	Neutral	Increase	01-01-2021	The tax allowance for sustainable mobility is abolished	Simplify the tax system/ increase tax compliance		Permanent	PI	
LU	369	Neutral	Increase	01-01-2021	For buildings built or acquired after the 1 January 2021, the accelerated depreciation rate applicable to rented real estate is decreased from 6% to 4%. The period from completion during which this accelerated rate of depreciation may apply is also reduced from 6 to 5 years. An additional 1% depreciation rate applies, if the total depreciable real estate asset does not exceed 1 000 000 EUR. If this amount	Increase equity/fairness		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					exceeds 1 000 000 EUR, the allowance is capped at 10 000 EUR. Moreover, an accelerated depreciated rate of 6% is granted for certain sustainable energy renoOther taxes: VATion expenses of an older property, in cases where the investment costs exceed 20% of the acquisition price of the property.					
LU	370	Unknown\Not Applicable	Unknown\Not Applicable	01-01-2021	For physical persons, the deadline for submitting the 2019 tax returns, is postponed to 31 March 2021. The deadline for submitting the 2020 tax returns, is postponed to 30 June 2021. The tax types concerned are: personal income tax and municipal business tax.			Temporary	PI	
LU	371	Unknown\Not Applicable	Decrease		Tax allowance in favour of owners who reduce or give up part of the rents to be due by companies. The tax allowance is double the amount of the reduction granted and limited to EUR 15 000.			Permanent	PI	
LU	372				The deductibility for domestic costs will be increased from EUR 5 400 to EUR 6 750 for the period of 1 April 2020 to 31 December 2020, for taxpayers who employ a housekeeper for domestic tasks.			Permanent	PI	
LU	383	Unknown\Not Applicable	Unknown\Not Applicable	01-01-2021	Possibility, for companies and physical persons exercising a liberal profession, and active in the HORECA sector, to cancel the last two quarterly advance tax payments for 2020, and the first two quarterly advance tax payments for 2021. The tax types concerned are: corporate income tax, communal business tax and personal income tax (only if profit from commercial activity)			Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
LU	385				Possibility to cancel the first two quarterly advance tax payments for 2020, tax types concerned: corporate income tax, communal business tax and personal income tax (only if profit from commercial or craft activities, from agricultural or forestry activities or from exercising a liberal profession)			Permanent	PI	
NL	385				Possibility to postpone for 4 months the payment of CIT and PIT based on tax returns (concerns only tax returns with a payment deadline after February, 29th 2020). Tax types concerned: corporate income tax, communal business tax, net wealth tax and personal income tax (only if profit from commercial or craft activities, from agricultural or forestry activities or from exercising a liberal profession) This does not affect e.g. the withholding of PIT for employees.			Temporary	PI	
NL	387	Decrease	Neutral	01-01-2021	Decrease of the tax rate with 0,03 percentagepoint in 2022 and 0,02 percentagepoint in 2023 and 2024 for the first bracket of the income tax	Increase equity/fairness		Permanent	PI	
NL	388	Decrease	Neutral	01-01-2021	Increase of the general tax credit	Increase equity/fairness		Permanent	PI	
NL	389	Increase	Neutral	01-01-2021	Decrease of the employed person's tax credit	Increase equity/fairness		Permanent	PI: labor	
NL	390	Decrease	Neutral	01-01-2021	Increase of employed persons tax credit in 2021, this increase was already established for the years after 2022	Increase equity/fairness		Permanent	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
NL	391	Increase	Neutral	01-01-2021	Decrease of the tax credit for combining work and childcare	Increase equity/fairness		Permanent	PI: labor	Family
NL	392	Decrease	Neutral	01-01-2021	Increase of the old age tax credit	Increase equity/fairness		Permanent	PI	Caregiving
NL	393	Neutral	Increase	01-01-2021	The exemption for study and training costs is broadened to also include compensation for study of training cost to layed-off employees as part of a social plan.	Support employment or enhance skills		Permanent	PI: labor	
NL	394	Neutral	Decrease	01-01-2020	Offer substantial shareholders the possibility to lower their taxable (assumed) wage pro rata to the decrease in the turnover of their company.			Permanent	PI: labor	
NL	395	Neutral	Neutral	12-03-2020	Home owners are still allowed mortgage interest deduction, even when they make use of a payment break on their mortgage.			Permanent	PI	
NL	396	Increase	Neutral	01-01-2021	Decrease of the priOther taxes: VATe business ownership deduction	Increase equity/fairness		Permanent	PI	
NL	397	Neutral	Increase	01-01-2023	The tax exempted amount that major shareholder can borrow from their own companies is limited to 500.000 euro. Above this amount they will pay 26,9 percent PIT.	Simplify the tax system/ increase tax compliance		Permanent	PI	
PL	398	Increase	Decrease	01-01-2021	Increase of the tax rate to 31% in combination with an increase of the tax free treshold to €50.000 (currently €30.846).	Increase equity/fairness		Permanent	PI: capital	
PL	417	Neutral	Neutral	01/01/21	Tax deduction for incomes earned in a tax year outside the territory of the Republic of PL (so-called tax abolition relief) has been limited. The amount reducing a tax is equal to 1 360 PLN –	Raise revenues		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					for a tax calculation base not exceeding the amount of 8 000 PLN.					
PL	418	Decrease	Neutral	01/01/21	The catalogue of liberal professions that can choose a flat-rate taxation form has been expanded and the lump-sum tax rate for liberal professions revenues was reduced from 20% to 17%. Also the lump-sum tax rate for revenues earned, inter alia, from rendering the following services: car rent, hotels, agency in wholesale trade, was reduced from 17% to 15%. The lump-sum tax rates 8,5% and 12,5% can be used for revenues from lease, sublease, tenancy, subtenancy and other contracts of a similar character, earned in the scope of economic activity. Also the lump-sum tax rates 8,5% and 12,5% can be used for revenues earned from services for the purposes of the research and development activity, if the amount of revenues exceeding 100 000 zloties.	Boost economic growth		Permanent	PI	
PL	419	Neutral	Neutral	01/01/21	Limit for choosing lump-sum taxation has been raised to 2 000 000 €. Now the lump-sum taxation may be chosen by a taxpayer who in the previous year obtained revenue from economic activity at the amount not exceeding 2 000 000 €, or when - in the case of partnership - the revenue raised by all the partners from such an activity did not exceed 2 000 000 €.	Increase equity/fairness		Permanent	PI	
PL	420	Neutral	Neutral	31/03/20	Possibility of applying R&D relief during the tax year. It is necessary to conduct R&D activities during the tax year, within the meaning of the PIT Act, the purpose of which is to develop products necessary to counteract COVID-19. In the case od R&D relief, it is necessary to identify eligible tax costs in accordance with the catalog	Support R&D/innoOther taxes: VATion	The fiscal year in which the state of epidemic is canceled	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					of eligible costs. This provision is in force until the end of the fiscal year in which the COVID-19 epidemic was canceled included in the PIT Acts, and then reduce the advance on income tax by the sum of these costs.This provision is in force until the end of the fiscal year in which the COVID-19 epidemic was canceled.					
PL	421	Neutral	Neutral	31/03/20	During 2020, PIT taxpayers were allowed to take into account the preferential tax rate of 5% on eligible income from IP (IP Box) used to counteract COVID-19 when calculating advances on income tax. This rule applies until the month in which the state of the epidemic declared for COVID-19 is cancelled.	Support R&D/innoOther taxes: VATion	The month in which the state of epidemic is canceled	Temporary	PI	
PL	422	Neutral	Neutral	31/03/20	Postponement of deadlines for tax remitters (employing enterprises) for transferring the tax advance payments and lump-sum income tax			Permanent	PI	
PL	423	Neutral	Neutral	31/03/20	Accounting early 2020 losses as deductible from the 2019 PIT payment.Enabling PIT taxpayers, whose businesses sufffered negative economic consequences of COVID-19, to deduct losses incurred in 2020 from operating income earned in 2019.			Permanent	PI	
PL	424	Neutral	Neutral	31/03/20	Postponement of the deadline to pay tax on revenues from immovable properties. PIT Taxpayers who meet certain conditions were able to benefit from postponing the deadline for payment of tax on income from immovable properties(i.e. the minimum tax on commercial real estate) in March-May 2020 to July 2020.			Temporary	PI: property	
PL	425	Neutral	Neutral	31/03/20	PIT taxpayers could submit their annual tax returns and pay tax due for 2019 after the standard deadline (30 April). They faced no			Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					negative consequences if they filed their tax returns and payed tax until 31 May.					
PL	426	Neutral	Decrease	31/03/20	Excluding the application of regulations in income taxes regarding the so-called bad debtsThe provisions on bad debts in PIT, under certain conditions, were not applied to advance payments of debtors, who should took into account unpaid liabilities when calculating income tax advances. As a result the debtors were not have higher burdens and the creditors were benefit from the relief as it does today.			Permanent	PI	
PL	427	Neutral	Neutral	31/03/20	Option to opt out of simplified advances in 2020 and to calculate monthly advances on current income"Small taxpayers" of PIT were able to opt out of simplified advances. Taxpayers who opt out of simplified advances for the period March-December 2020 could calculate monthly advances on current income on general terms (they could pay lower advances, which could improve their liquidity).			Permanent	PI	
PL	428	Neutral	Neutral	31/03/20	Introducing the possibility for PIT taxpayers of deduction from the tax base (when calculating the tax or tax advances) the amounts of donations (in cash or in kind, including portable computers) made from January 1, 2020, through the end of the month in which an epidemic state declared due to COVID-19 is revoked, for purposes related to countering COVID-19, to entities designated.			Permanent	PI	
PL	429	Neutral	Neutral	31/03/20	The deductibility of the cost of manufacture or purchase price of property or rights that are the subject of donations made between January 1, 2020 and the end of the month in which the state of epidemic declared due to COVID-19 is			Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					revoked, to entities and for purposes referred to in the regulations, to the extent that the cost of manufacture or purchase price was not deductible, including through depreciation deductions.					
PL	430	Neutral	Neutral	01/01/21	Building revenues exemption - taxable building revenues determined for the period: 1. from March 1, 2020 to December 31, 2020, 2. from January 1, 2021 through the end of the month in which the epidemic state declared due to COVID-19 is revoked.			Permanent	PI	
PL	431	Neutral	Neutral	16/04/20	The revenue from remission of a support loan shall not constitute revenue under the regulations of personal income tax.			Permanent	PI	
SK	432	Neutral	Neutral	24/06/20	Prolongation of the deadline for (1) transfer pricing report (TPR) for the selected group of related entities (2) filing a statement on preparation of transfer pricing documentation and applying prices compliant with the arm's length principle and (3) attaching a masterfile to the local transfer pricing documentation - for the selected group of related entities.	Simplify the tax system/ increase tax compliance	31.12.2020 / 30.04.2021	Temporary	PI	
SK	485	Neutral	Neutral	01-01-2021	Increase of a tax liability threshold that determines the obligation to pay quarterly advance payments from 2500 to 5000 euros	Simplify the tax system/ increase tax compliance		Permanent	PI	
SI	486	Neutral	Increase	01-01-2021	Change of tax rate from 21 % to 15 % for all self-employed with incomes below EUR 49 790 per year	Raise revenues		Permanent	PI	Low income
SI	496	Neutral	Decrease	01/01/20	Reduction of tax base for potential market income from production on agricultural land in the amount of 50% of cadastral income	Support employment or enhance skills	31-12-2021	Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
SI	497	Neutral	Neutral	01-01-2021	The increase of the dedication of a portion of the personal income tax (increase form 0,5 % to 1 %) for donation for general purpose and political parties or representative trade unions	Not applicable		Permanent	PI: labor	
SI	498	Neutral	Neutral	29-03-2020	Taxpayers can delay a deadline for submitting tax return of the advance payment of personal income tax on income from the activity for 2 months.	Support employment or enhance skills		Temporary	PI	
SI	499	Neutral	Neutral	29-03-2020	Taxpayers can opt to postpone the payment of the PIT from activity for up to 24 months or to pay the liability in 24 monthly instalments, if there are reductions in revenue due to the COVID-19 pandemic.	Support employment or enhance skills		Temporary	PI: labor	
SI	500	Neutral	Neutral	11-04-2020	Defferal for the advance payment of the PIT on income from the activity for April and May 2020 (until April 2021 when tax returns for 2020 are due) .	Support employment or enhance skills	31-05-2020	Temporary	PI: labor	
SI	501	Neutral	Neutral	28-11-2020	The postponment of the PIT from activity advance payments for up to 24 months or to pay the liability in 24 monthly instalments.	Support employment or enhance skills	31-03-2021	Temporary	PI: labor	
SI	517	Neutral	Neutral	29-03-2020	Taxpayers can opt to postpone the payment of other tax liabilities (applicable to all withholding tax and income tax advance payments) for up to 24 months or to pay the liability in 24 monthly instalments, if there are reductions in revenue due to the COVID-19 pandemic.	Support employment or enhance skills		Temporary	PI: labor	
ES	518	Neutral	Neutral	28-11-2020	The postponment of all other tax payments for up to 24 months or to pay the liability in 24 monthly instalments. The option to postopne payments is available to legal and natural persons for the income from the acitvity.	Support employment or enhance skills	31-03-2021	Temporary	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
ES	519	Neutral	Neutral	01/01/20	Increased PIT credits for donations to nonprofit organizations and patronage			Permanent	PI	
ES	520	Neutral	Decrease	01-06-2020	PIT exemption of the Guaranteed Minimum Vital Income	Increase equity/fairness		Permanent	PI	Low income
ES	521	Increase	Neutral	01/01/21	PIT new state´s tax bracket introduced with a maximum marginal tax rate (24.5%) for taxable income over EUR 300,000	Increase equity/fairness		Permanent	PI	
ES	522	Neutral	Increase	01/01/21	A lower ceilling EUR 2,000 (from EUR 8,000) applies for annual contributions made by individuals to welfare systems (e.g. pension plans). However, the overall deductible ceiling may reach up to EUR 10,000 including employer's contributions.	Increase equity/fairness		Permanent	PI	
ES	523	Neutral	Decrease	01/01/21	Landlords (other than large landlords) renting premises to tenants in the tourism, catering and commerce sector may count as a deductible expense the amount of rent voluntarily agreed (as of 14 March 2020) for the months of January to March 2021.	Support employment or enhance skills		Permanent	PI	
ES	524	Neutral	Increase	01/01/21	A lower tax deduction EUR 2,000 (from EUR 8,000) applies for annual contributions made by individuals to welfare systems (e.g. pension plans)	Increase equity/fairness		Permanent	PI	
ES	525	Neutral	Neutral	13-03-2020	The Decree has established a deferral for the payment of those taxes not exceeding the amount of EUR 30,000 (i.e. the amount which permits deferral without providing a guarantee), which submission and payment period, either by assessment or self-assessment, applies from 13 March 2020 to 30 May 2020. Only taxpayers with a turnover not exceeding EUR 6,010,121,04 in 2019 are entitled to the deferral. The deferral			Temporary	PI	Low income

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					will apply for 6 months and no interest will accrue during the first 3 months of deferral.					
ES	526	Increase	Neutral	01/01/21	PIT new tax bracket introduced to income from savings with a maximum tax rate (26%) for taxable income over EUR 200,000	Increase equity/fairness		Permanent	PI: capital	
SE	538	Increase	Neutral	01/01/21	Net Wealth top rate increased to 3.5% (from 2.5%) for tax bases over EUR 10,695,996.06, and its application is extended indefinitely	Increase equity/fairness		Permanent	PI: property	
SE	540	Neutral	Decrease	01-01-2019	Increased Limit on Tax Allocation Reserve	Boost economic growth		Permanent	PI	
SE	541	Neutral	Decrease	01-01-2021	Increased basic allowance for elderly people			Permanent	PI	caregiving
SE	542	Neutral	Decrease	01-01-2021	Additional services included in the tax reduction for household work and raised maximum amount			Permanent	PI	
SE	543	Neutral	Unknown\Not Applicable	01-01-2021	Tax reduction for the installation of green technology	Promote environmental sustainability		Permanent	PI	
SE	544	Neutral	Neutral	01-01-2021	Changed method to value free meals at work	Simplify the tax system/ increase tax compliance		Permanent	PI	
SE	545	Neutral	Decrease	01-01-2021	Tax credit for taxable income	Not applicable		Permanent	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
SE	546	Neutral	Decrease	01-01-2021	Temporary tax credit for earned income to compensate for increased work related costs due to COVID 19	Boost economic growth	31-12-2022	Temporary	PI: labor	
SE	547	Neutral	Decrease	01-01-2021	Extended period of tax relief for foreign experts, from 3 to 5 years	Support R&D/innoOther taxes: VATion		Permanent	PI	
SE	548	Unknown\Not Applicable	Decrease	01-04-2020	Changes tax regulation for food benefit in certain cases (BP21)			Permanent	PI	
SE	549	Neutral	Increase	01-07-2021	Company car benefit: adjusted taxable values	Increase equity/fairness		Permanent	PI	
SE	551	Neutral	Decrease	01-08-2020	Tax deductibility of investments of natural persons in small enterprises	Not applicable		Permanent	PI: capital	
BG	552	Unknown\Not Applicable	Decrease	01-01-2021	Abolision of the standard income on deferral amount	Not applicable		Permanent	PI: capital	
BG	579	Neutral	Neutral	24/03/20	Extension of the deadline for submission of the annual income tax return and for payment of the tax assessed therein until 30 June 2020 for persons carrying out economic activity in a trading capacity within the meaning given by the Commerce Act, including any sole traders, as well as for persons registered as farmers who have opted to be taxed on the annual tax base (currently the deadline is 30 April 2020). In this connection the deadline for payment of the tax at a discount is extended to 31 May 2020 (current deadline is 31 March 2020).	Not applicable	30/06/20	Temporary	PI: labor	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
HR	584	Neutral	Neutral	24/03/20	Extension of the deadline for payment of real estate tax as well as the tax on transport vehicles, with a 5% discount of the total annual amount due, until 30 June 2020 (currently, the deadline is 30 April 2020).	Not applicable	30/06/20	Temporary	PI: property	
HR	585	Unknown\Not Applicable	Unknown\Not Applicable	19/09/20	Exceptionally, the costs of laboratory testing of the causative agent of a contagious disease that the employer and the payer of benefits at his own expense provides to workers and natural persons who receive income/payments is not considered as an income from employment.	Improve health		Permanent	PI: labor	
HR	586	Unknown\Not Applicable	Unknown\Not Applicable	20/10/20	The cost of vaccination against infectious diseases that the employer and the payer of the income or wages at his own expense provides to workers and natural persons who receive payments is not considered as a income based on employment, regardless of how the vaccination cost is covered.	Improve health	31/12/20	Temporary	PI: labor	
HR	587	Decrease	Neutral	01/01/21	Reduction of the personal tax income rates (brackets):- 24% to 20% for the income up to 30.000 HRK per month (4.000 EUR) or 360.000 HRK on an annual basis (48.000 EUR)- 36% to 30% for the income above the 30.00HRK per month (4.000 EUR) or 360.000 HRK on the annual basis (48.000 EUR)	Simplify the tax system/ increase tax compliance		Permanent	PI	
HR	588	Decrease	Neutral	01/01/21	Reduction of the tax rate on dividends from 12% to 10%	Simplify the tax system/ increase tax compliance		Permanent	PI	
HR	589	Neutral	Neutral		Personal income tax can be deferred for a period of up to 3 months with possible prolongation on additional 3 months.	Increase tax certainty		Temporary	PI	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
CY	600	Unknown\Not Applicable	Unknown\Not Applicable	01/07/20	As an exception to the specific regulation governing administrative cooperation, the deadlines for submitting information on financial accounts to the Ministry of Finance, Tax Administration, shall be extended by additional three months. The deadlines for the submission of information on cross-border arrangements will start to apply from 1st January 2021.	Simplify the tax system/ increase tax compliance	30/04/21	Temporary	PI: capital	
MT	605			16/3/2020	"Child Care Special Leave" allowance is granted in accordance with certain terms and conditions. The Child Care Special Leave Allowance will be awarded to working parents who are responsible for the care of children up to 15 years of age and / or children with disabilities of any age and due to the nature of their work cannot work either by teleworking or working from home or with flexible working hours provided there is no in-house assistance.		Initially until Jun. 12, later extended until Dec. 31, 2020	Temporary	PI	Family
MT	611			1/7/2020	Businesses and self-employed individuals who have suffered a significant decline in turnover due to the COVID-19 pandemic are allowed to defer the payment of certain taxes, including income tax		Uncertain but not permanent, government said it will be effective until the end of 2023	Temporary	PI	

Annex 3.2: Firms: tax policies implemented in EU 27 during the pandemic.

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
BE	14	Neutral	Decrease	Full deductibility of restaurant expenses as business expenses for PIT and CIT	Encourage consumption	08-06-2020	31-12-2020	Temporary	Firms
BE	16	Neutral	Decrease	Introduction of a CIT loss carry-back exemption of 20 millions eur maximum. Firms which could be considered to be in difficulty on 18 March 2020 are not eligible for this tax advantage.		01-01-2019	31-12-2020	Temporary	Firms
BE	18	Neutral	Decrease	Exemption of the "reconstitution reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2021	31-12-2023	Temporary	Firms
BE	19			Increasing the benefits of early payments of the third and fourth deadlines. Thanks to this measure of help, the report of their early payments is less disadvantageous.		11-06-2020	31-12-2020	Temporary	Firms
BE	20	Neutral	Decrease	120h Increase of maximum number of voluntaruy hours of overtime for hours performed between 01/10/2020 and 31/03/2021 in critical sectors		1-10-2020	31-03-2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
BE	21	Neutral	Decrease	Exemption from payment of withholding tax on earned income up to a maximum amount of 20 millions for employers who have employees who have received temporary unemployment benefit for at least 30 days between 12 March 2020 and 31 May 2020.		23-07-2020	31-08-2020	Temporary	Firms
BE	22	Neutral	Decrease	Increased investment deduction	Support investment	01-01-2021	31-12-2022	Temporary	Firms
BE	28			In certain cases, no late-payment interest will be due and penalties for not paying taxes will be waived.				Permanent	Firms
CZ	31	Neutral	Neutral	loss carryback institute (retroactive effect of tax losses for 2020, which can be retroactively applied in tax return for 2019 and 2018)	Not applicable	01/07/20		Permanent	Firms
CZ	33	Neutral	Decrease	extraordinary depreciation for the 1st and 2nd depreciation group of tangible assets (12 months and 24 months)	Support investment	01/01/21		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
CZ	34	Neutral	Decrease	increase of the limit for depreciation of tangible assets and abolition of depreciation of intangible assets.	Support investment	01/01/21		Permanent	Firms
CZ	41	Unknown\Not Applicable	Unknown\Not Applicable	waiver of sanctions, tax deferrals and their reduction CIT, PIT, Other taxes: VAT, road tax and real estate acquisition tax	Not applicable	16/03/20		Permanent	Firms
FI	61	Neutral	Decrease	Immediate expensing of small fixed and tangible assets	Not applicable	01-01-2021		Permanent	Firms
FI	62	Neutral	Decrease	Additional 50 % deduction for R&D costs of co-operation with research organizations in 2021-2025	Support R&D/innoOther taxes: VATion	01-01-2021	31-12-2025	Temporary	Firms
FI	63	Neutral	Neutral	Temporary increase of 10 percentage points to the municipalities' share of CIT in 2020	Not applicable	15-07-2020		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
FI	64	Neutral	Neutral	Temporary increase of 10 percentage points to the municipalities' share of CIT in 2021	Not applicable	01-01-2021		Permanent	Firms
FR	73	Decrease	Neutral	Creation of a tax credit for lessors - part on CIT	Not applicable	01-01-2021	31-12-2021	Temporary	Firms
FR	74	Neutral	Increase	Impact of decrease of taxes on production on CIT (mechanical increase)	Not applicable	01-01-2021		Permanent	Firms
FR	75	Neutral	Neutral	Immediate refund of carry back on corporate tax deficits	Simplify the tax system/ increase tax compliance	30-07-2020		Permanent	Firms
FR	76	Decrease	Neutral	For FY opened as of January 1, 2021, the reduced CIT rate of 15% that applies for SMEs on their first EUR 38,120 of taxable profits is extended to the corporations realising a turnover up to EUR 10 million (compared to EUR 7,63 million for FY opened before January 1, 2021).	Not applicable	01-01-2021		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
FR	77	Neutral	Decrease	A Creation of a tax credit for energy-saving renoOther taxes: VATion works in favour of SMEs' buildings. This applies to expenses for energy renoOther taxes: VATion of buildings used as offices assigned to their activity built for more than two years, incurred between 1 October 2020 and 31 December 2021. The amount of the tax credit is equal to 30% of the cost price excluding tax of the expenses.	Promote environmental sustainability	01-10-2020	31-12-2021	Temporary	Firms
FR	78	Decrease	Neutral	Lower taxes on production : The taxes covered by the measure include the property tax on developed land (TFPB) and the local economic contribution (CET), which is comprised of a business premises contribution (CFE) and a contribution on business value added (CVAE).	Boost economic growth	01-01-2021		Permanent	Firms
FR	79	Increase	Neutral	Creation of an exceptionnal tax on priOther taxes: VATe healthcare providers.	Increase equity/fairness	14-12-2020	31-12-2021	Temporary	Firms
DE	81	Unknown\Not Applicable	Decrease	Depreciation allowances for movable assets such as machinery have been improved for a fixed period (the 2020 and 2021 tax years).	Support investment	01-01-2020	31-12-2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
DE	82	Unknown\Not Applicable	Decrease	Tax options for offsetting losses against the previous year's profits were expanded. Loss carry backs have been increased to a maximum of €5 million (or €10 million in the case of joint assessments) for 2020 and 2021. In addition, it is possible to apply loss carry backs to 2019 tax returns.	Not applicable	01-01-2020	31-12-2021	Temporary	Firms
DE	86	Unknown\Not Applicable	Unknown\Not Applicable	Improving the maximum level of R&D tax support for a fixed period of 6 years.	Support investment	01-07-2020	30-06-2026	Temporary	Firms
DE	114	Unknown\Not Applicable	Decrease	Increase of the maximum amount of tax privileged acquisition and production costs for small and medium-sized enterprises (SMEs) and implementation of a unified profit margin for SMEs enjoying rules for tax privileged acquisition and production costs and appreciation rules	Support investment	01-01-2021		Permanent	Firms
DE	115	Neutral	Neutral	The deadline for filing tax returns prepared by tax advisors is extended to 31 August 2021 for tax returns for tax year 2019.				Temporary	Firms
DE	116	Unknown\Not Applicable	Decrease	Tax options for offsetting losses against the previous year's profits were expanded. Loss carry backs have been increased to a maximum of €10 million (or €20 million in the case of joint assessments) for 2020 and 2021.		18/03/21		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
DE	119	Neutral	Neutral	In order to improve companies' liquidity situation, the options for deferring tax payments and reducing prepayments are enhanced, and enforcement rules are adapted. Accordingly it is easier to get tax deferrals granted by the tax authorities when it is necessary to avoid significant hardship. The revenue authorities are instructed to not impose strict conditions in this respect. Requests possible until 30.06.2021 for tax deferrals till 30.09.2021, simplified procedure of tax deferrals till 31.12.2021 only in the case of an installment agreement Requests for the suspension of enforcement measures possible till 30.06.2021 for the suspension of enforcement measures till 30.09.2021, simplified suspension of enforcement measures till 31.12.2021 only in the case of an installment agreement		19-03-2021	31-12-2021	Temporary	Firms
DE	120	Neutral	Neutral	Municipal trade tax: Simplified procedure for deferring tax payments and reducing prepayments		19-03-2021	31-12-2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
EL	179	Decrease	Neutral	Reduction of tax advance payments for tax year 2019, depending on the turnover reduction	Not applicable	31/07/20	31/12/20	Temporary	Firms
HU	187	Neutral	Decrease	Abolition of the ceiling (50% of pre-tax profit) of development reserve (whoch could be applied to 2019 tax year too)	Support investment	15-05-2020		Permanent	Firms
HU	188	Neutral	Decrease	Abolition of the ceiling (HUF 10 billion) of development reserve	Support investment	01-01-2021		Permanent	Firms
HU	189	Neutral	Increase	Increasing the eligibility criteria of small business tax (businesses with revenues below HUF 3 billion are eligible for small business tax instead of HUF 1 billion).	Simplify the tax system/ increase tax compliance	01-12-2020		Permanent	Firms
HU	190	Decrease	Neutral	In 2021 the maximum local business tax rate is 1% for the SME companies (whose income or balance sheet total lower than HUF 4 billion)	Support employment or enhance skills	23-12-2020		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
HU	191	Neutral	Neutral	Municipalities are not allowed to raise tax rate of local taxes, introduce new local taxes, or abolish tax credits or tax exemptions	Increase tax certainty	02-12-2020		Permanent	Firms
HU	192	Decrease	Neutral	Rate of small business tax will be reduced by 1 percentage points in 2020 (from 12% to 11%) in accordance with the decreasing of Social Contribution Tax.	Simplify the tax system/ increase tax compliance	01-01-2021	17-06-2020	Temporary	Firms
HU	193	Neutral	Decrease	Taxpayers of small business tax, which carry activity in certain sectors most affected by Coronavirus, shall not consider the amount of personal payments as small business tax base determining the small business tax liability for March, April, May and June 2020.	Support employment or enhance skills	24-03-2020	17-06-2020	Temporary	Firms
HU	206	New tax	New tax	Introduction of special tax on credit instituions. This one-off tax is based on the system of the bank levy, and credit institutions may deduct the amount so paid from their tax obligations in the next 5 years in equal instalments.	Raise revenues	01-05-2020	17-06-2020	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	239	Neutral	Neutral	The Financial Provisions (COVID-19) (No. 2) Act 2020 introduced a temporary acceleration of corporation tax loss relief by allowing companies to estimate their 2020/2021 tax year losses and to make an early claim to carry back 50% of that loss, for offset against taxable profits of the prior year (the balance of the loss will be available for carry back in due course under normal rules, when accounts have been prepared after the company's year-end). This will generate an immediate refund of some or all of the corporation tax paid for that year. Under normal rules, this carry back would not take place until up to 9 months after the end of the loss-making year, when tax returns are due for filing. The measure has no net cost in the medium term as it is an acceleration of a relief that already exists in the corporation tax code.	Support employment or enhance skills	01/08/20		Permanent	Firms
IE	240	Neutral	Neutral	The application of a surcharge for late filing of corporation tax returns for accounting periods ending June 2019 onwards (i.e. due by March 23, 2020 onwards) is suspended until further notice.	Simplify the tax system/ increase tax compliance	23/03/20	This measure is in place until further notice	Temporary	Firms
IE	241	Neutral	Neutral	The application of a surcharge for late filing of iXBRL financial statements for accounting periods ending March 2019 onwards (i.e. due by March 23, 2020 onwards) is suspended until further notice.	Simplify the tax system/ increase tax compliance	23/03/20	This measure is in place until further notice	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	242	Neutral	Neutral	The restriction of reliefs, such as loss relief and group relief, which apply where corporation tax returns are filed late, has been suspended where a corporation tax return in respect of an accounting period ending June 2019 onwards and due by 23 March 2020 onwards is filed late as a result of COVID-19 circumstances.	Simplify the tax system/ increase tax compliance	23/03/20	This measure is in place until further notice	Temporary	Firms
IE	243	Neutral	Neutral	Where an individual is present in the State and that presence is shown to result from travel restrictions related to COVID-19, Revenue will be prepared to disregard such presence in the State for corporation tax purposes for a company in relation to which the individual is an employee, director, service provider or agent. In addition, and where relevant, if an individual is present in another jurisdiction as a result of COVID-related travel restrictions, and would otherwise have been present in the State, Revenue will be prepared to disregard such presence outside the State for the same purposes. This measure is open ended and will be kept under review.	Simplify the tax system/ increase tax compliance	23/03/20	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	244	Neutral	Neutral	Normally the Research and Development (R&D) tax credit instalments cannot be paid earlier than the Corporation Tax return due date, e.g. any R&D tax credit instalment due in respect of accounting periods ending on 31 December 2019 could not be received earlier than 23 September 2020. To accelerate the payment of R&D tax credit instalments due to be paid in 2020, a cashflow measure was introduced whereby a company could make a request to receive the payment earlier. This has now been extended to R&D tax credit instalments due to be paid in 2021.	Simplify the tax system/ increase tax compliance	23/03/20	31.03.2021 (subject to review)	Temporary	Firms
IE	245	Neutral	Neutral	Revenue agreed to suspend the application of Professional Services Withholding Tax (PSWT) to the payments made by the HSE for the short-term use of priOther taxes: VATe hospitals during the peak of the pandemic. This contractual arrangement came to an end at 30 June 2020, therefore the provision also ended.	Simplify the tax system/ increase tax compliance	23/03/20	30.06.2020	Temporary	Firms
IE	246	Neutral	Neutral	A COVID-19 measure was introduced in relation to the close company surcharge which is a surcharge which can apply to certain income of companies which are defined as closely held. A temporary measure is in place which enables a company further time to make distributions before the surcharge will apply. This is in place until 31 March 2021 and will be reviewed again at that point.	Simplify the tax system/ increase tax compliance	23/03/20	31.03.2021 (subject to review)	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	247	Neutral	Neutral	To accelerate interim refunds of Professional Services Withholding Tax (PSWT) during the COVID-19 pandemic, Revenue accepted refund claims via MyEnquiries where legible copy of the original F45 and F50 documents are attached to substantiate the claim.	Simplify the tax system/ increase tax compliance	23/03/20	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	256	Unknown\Not Applicable	Unknown\Not Applicable	COVID Restriction Support Scheme: The CRSS is a targeted support for businesses significantly impacted by restrictions introduced by the Government under public health Regulations to combat the effects of the COVID-19 pandemic. This is a business support, operated through the tax system, intended to supplement wage supports and assist businesses in meeting ongoing fixed costs when closed due to public health restrictions. The scheme applies to businesses who, under the specific terms of the regulations, are required to prohibit or significantly restrict members of the public from accessing their business premises, with the result that the business is required to temporarily close or to operate at significantly reduced levels. Qualifying businesses can apply to Revenue for a cash payment, representing an advance credit for trading expenses that are deductible for income and/or corporation tax purposes for the period of restrictions resulting in operations being prohibited/reduction in activities effective from 13 October 2020.	Not applicable	13/10/20	31-03-2021 (may be extended)	Temporary	Firms
IE	257	Unknown\Not Applicable	Unknown\Not Applicable	The Temporary Wage Subsidy Scheme (TWSS) was introduced on 26 March 2020. It was legislated for in section 28 of the Emergency Measures in the Public Interest (COVID-19) Act 2020 and was an emergency measure to deal with the impact of the COVID-19 pandemic on the economy. Over 66,500 employers were supported through the TWSS in respect of more than 664,000 employees at a cost of €2.9bn. The scheme operated until 31 August 2020 and was replaced by the Employment Wage Subsidy Scheme (EWSS) from 1 September 2020.	Support employment or enhance skills	26/03/20	30/08/2020	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IE	258	Unknown\Not Applicable	Unknown\Not Applicable	The Employment Wage Subsidy Scheme was legislated for under the Financial Provisions (COVID-19) (No. 2) Act 2020. The objective of the Employment Wage Subsidy Scheme (EWSS) is to support all employment and maintain the link between the employer and employee insofar as is possible. Subsidy payments are made to employers on basis of qualifying employees.	Support employment or enhance skills	01/08/20	31-03-2021 (may be extended)	Temporary	Firms
IT	282	Neutral	Decrease	Introduction of several tax credits: - 60% over the rent paid by retailers during March 2020- 50% over the total amount of expenditures incurred to sanitize firms, stores and working tools. This tax credit has been extended to personal protective equipment by the 8th April decree. This tax credit is extended to personal protective equipment by the 8th April decree.- 30% over total investments concerning advertising in the publishing sector- 20% computed based on taxes paid in advance by firms and referred to forthcoming revenues, in the case in which the advance payments no longer correspond to actual profits/ revenues.		17/03/20		Permanent	Firms
IT	283	Neutral	Neutral	Payments of fees due by firms operating in the sector of betting are postponed to 31st May 2020.		17/03/20	31/05/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	284	Neutral	Decrease	Introduction of the following tax credits in order to enhance patrimonial resilience of small and medium firms: - 20% tax credit for individuals and legal persons participating with up to 2 million to capital increases of at least EUR 250.000 in corporations suffering a reduction of revenues of at least 33%; - 50% tax credit for firms with losses exceeding the 10% of net equity. In order to encourage investments in the real economy, tax incentives similar to those already granted to financial revenues are introduced for investments addressed to non-listed companies.	Boost economic growth	19/05/20	31/12/20	Temporary	Firms
IT	285	Neutral	Decrease	Introduction of the following tax credits: - 60% of the costs incurred upgrading and securing workplaces (1 billion euros)- 47% of costs suffered sanitizing workplaces and purchasing safety equipments (603 million euros)- 50% over investments concerning advertising in the publishing sector and sporting sector (expected cost is about 120 million euros)- 8% on the cost of paper incurred by newspapers (expected cost is about 24 million euros)		19/05/20	31/12/20	Temporary	Firms
IT	286	Neutral	Decrease	Tax credit on R&D is strengthened for firms operating in the Mezzogiorno.		19/05/20		Permanent	Firms
IT	287	Neutral	Decrease	Tax credit of 50% over total investments occurring between July and December 2020 and concerning advertising in the sporting sector .		15/08/20	31/12/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	288	Neutral	Decrease	Tax credits of up to 65% for restructuring of touristic buildings and for buying plants and machinaries used by thermal baths.		15/08/20	31/12/21	Temporary	Firms
IT	289	Neutral	Decrease	Non-repayable grants to restaurants and cafeterias which suffered at least 1/4 drop in average turnover between march and June 2020 with reference to 2019. The measure is applied independently from their turnover to new firms actiOther taxes: VATed after 1 January 2019. The grant is aimed at financing purchising of local food and wine and doesn't contribute to the tax base.		15/08/20	31/12/20	Temporary	Firms
IT	290	Neutral	Decrease	Previously introduced tax credits on the rent of buildings where the economic activity is carried out by firms operating in the most hitted sectors and in sectors affected by containment measures introduced in October and November 2020 are extended to October, November and December independently on the firm's size.		25/12/20	31/12/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	291	Neutral	Decrease	The tax credit for investments cost related to new, innoOther taxes: VATive and intangible assets (industry 4.0) has been extended to 2021 and 2022. As concerns innoOther taxes: VATive tangible assets the tax credit amount is 40%, (50% for 2021) of the cost if the amount is under 2,5 million euros, 20%, (30% for 2021) for the amount over 2,5 million euros and 10% over the maximum threshold of 10 million euros. As for intangible assets the tax credit is estimated at 20% of investment cost up to the maximum thereshold of 1 000 000 euros. Finally as for other new tangible assets investment cost, the tax credit amount is 6%, (10% for 2021 and 15% for smart working instruments for 2021), of the investment within the maximum threshold of investment cost of 2 million euros.	Support investment	01/01/21	31/12/22	Temporary	Firms
IT	292	Neutral	Decrease	The tax credit for R and D, green transition and innoOther taxes: VATive technology investments cost, introduced for 2020, has been extended to 2021 and 2022. The amount of the tax credit depends on two factors that will need to be multiplied to compute the amount of the tax credit: 1) the type of cost (rangign from 150% of labour costs to 20% of consulting fees) 2) the type of activity (ranging from 20% for R and D activities to 15% for green activities and to 10% for design activities). The maximum limit amount increased respectively to 4 bln euros(previously 3) for R and D and 2 bln euros (previously 1,5) for design and green cost.	Support investment	01/01/21	31/12/22	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	293	Neutral	Decrease	Extension to 2023 of IT emplyoment training cost.	Support employment or enhance skills	01/01/21	31/12/23	Temporary	Firms
IT	294	Neutral	Decrease	The subject stemming from a merger is entitled to enjoy deffered tax asset and ACE surplues accrued before the merger.	Boost economic growth	01/01/21		Permanent	Firms
IT	295	Neutral	Decrease	The tax credit for investment cost in southern regions is extended to 2021 and 2022.	Support investment	01/01/21	31/12/22	Temporary	Firms
IT	296	Neutral	Decrease	The foreign investment funds, located in Eu, are entitled to the same tax treatment of italian investment funds as concerns income from equity exemption.	Increase tax certainty	01/01/21		Permanent	Firms
IT	297	Neutral	Decrease	The measure brings forward the workplace health adaptation tax credit deadline to 30 june 2021.Previously DL34/2020 fixed the deadline at 31 december 2021 for 2 bilions cost estimated.	Improve health	01/01/21	30/06/21	Temporary	Firms

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AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	298	Neutral	Decrease	Extension to the 2022 of the increases in R&D tax credit rates provided by DL34/2020 for investment in southern IT	Boost economic growth	01/01/21	31/12/22	Temporary	Firms
IT	299	Neutral	Decrease	The CIT base as for not commercial entities has been reduced in the extent of 50%	Boost economic growth	01/01/21		Permanent	Firms
IT	300	Neutral	Neutral	The payment of balance of regional tax on productive activities, (IRAP), for tax year 2019 and the 40% prepayment for 2020 are cancelled for firms and self-employed workers with a turnover up to EUR 250 million.		19/05/20	31/12/20	Temporary	Firms
IT	301	Neutral	Neutral	The payment of the 2nd installment of regional tax on productive activities is postponed to April 2021 for firms with a revenues level below 50 million euros in 2019 if the 2020's revenues decrease in the first semester is at least the 33% of the 2019 corresponding revenues. The suspension holds independently by their size for tax-payers operating in sectors most affected by the crisis.		25/12/20	31/12/21	Temporary	Firms
IT	308	Neutral	Neutral	Suspension of tax payments for individuals and firms resident in the 11 municipalities of the so-called Red Zone (50 000 inhabitants of the area initially hit by the virus and subject to a complete ban of individual movements) in the period 21 February until 30 April 2020.		02/03/20	30/04/20	Temporary	Firms

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AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	309	Neutral	Neutral	The payment deadline for executive assessment proceedings, tax demands and resolutions of pending tax disputes is posponed to 31st of May, 2020		02/03/20		Temporary	Firms
IT	312	Neutral	Neutral	Suspension of Other taxes: VAT, SSC and withheld PIT payments concerning April and May 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros if the 2020 March and April revenues decrease is at least the 33% of the 2019 corresponding month revenues. In case of a revenues level over 50 million euros, the decrease has to be at least the 50% of the 2019 corresponding month.		08/04/20	31/05/20	Temporary	Firms
IT	313	Neutral	Neutral	Tax payments already suspended or deferred by previous measures are deferred further to September 2020, allowing monthly payments without interests by December 2020. Overall, deferred payments amount to EUR 20.5 billion.		19/05/20	30/09/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	314	Neutral	Decrease	Non-repayable grants to businesses, agricultural enterprises and self-employed workers, under EUR 5 million of turnover, which had at least 1/3 drop in turnover in April 2020 compared to April 2019. The grant is proportional to their size and to the drop according to the following rates: 20% of the drop, with revenues not exceeding EUR 400,000, 15% with revenues up to EUR 1 million and 10% with turnover up to EUR 4 million. The measure is applied, in a fixed amount, independently from their turnover to new firms actiOther taxes: VATed after 1 January 2019 and to firms resident in the Red Zones identified at the beginning of the COVID-19 emergency. Grants do not contribute to the tax base.		19/05/20	31/12/20	Temporary	Firms
IT	614	Neutral	Neutral	Tax payments already suspended or deferred by previous measures are deferred further, with reference to the 50% of the due amount, to January 2021.The estimated cost of measures is about € 3,748 million. Payments of regional taxes are deferred to April 2021 for those firms adopting synthetic tax reliability indexes and suffering a 33% reduction of turnover in 2020 with respect to 2019. The estimated cost of measure is € 2,200 million.		15/08/20		Temporary	Firms
IT	315	Neutral	Neutral	Further resources are allocated in 2021 to support tax payers who have beenfited tax payments deferrals and reliefs and still suffering huge turnover losses.		25/12/20	31/12/21	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	317	Neutral	Neutral	Suspension of Other taxes: VAT, SSCs and withhold PIT payments due by december 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros in 2019 if the 2020's November revenues decrease is at least the 33% of the 2019's corresponding month revenues. The suspension holds independently by their size for tax-payers operating in the most hitted sectors as well as activities started after Novemebr 2019. Payments are due by March 2021.		25/12/20	31/12/21	Temporary	Firms
IT	318	Neutral	Neutral	Deferral to March 1, 2021 of the "final" deadline for the payment of the 2020 installments of the Facilitated Definition. Consequently, for taxpayers who are up to date with the payment of the installments due in the year 2019 of the "Rottamazione-ter", "Saldo e stralcio" and the "Facilitated definition of EU resources", the failure, insufficient or late payment to the relative due dates of the installments to be paid in 2020, does not result in the loss of the benefits of the facilitated measures if the debtor will in any case make the full payment of the same by 1 March 2021 (Decree Law 157/2020, art.4). The Italian Ministery of Economy and Finance has recently stated with the press release number 36, issued on 27/02/2021, that the deadline will be postponed further.	Not applicable			Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
IT	319	Neutral	Neutral	Deferral to 31st March 2021 (Legislative Decree no. 7 of 30.01.2021, Art. 1.2) of the "final" deadline for the suspension of payments due between March 2020 and February 2021.	Not applicable	30/01/21	31/03/21	Temporary	Firms
IT	320	Neutral	Neutral	Deferral to 28 February 2022 (Legislative Decree no. 7 of 30.01.2021, Art. 1.a-b) of the "final" deadline for the suspension of the collection activity and executive assessment proceedings. Suspension of deadlines was previously set by art. 157 of Relaunch Decree. The estimated revenues decrease is 205 million euros for 2020.	Not applicable	30/01/21	28/02/22	Temporary	Firms
IT	326	Neutral	Decrease	Further resources are allocated to support firms operating in tourism, trade fairs and congresses.		25/12/20	31/12/21	Temporary	Firms
IT	327	Neutral	Decrease	Further resources are allocated to support firms operating in agriculture and fishing. Introduced tby Decree 137/2020, he measure has been abolished as from 18/12/2020.		25/12/20	31/12/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
LT	359	Decrease	Neutral	Introduction of a new tax relief (for maximum period of 20 years) for companies implementing large projects under large project investment agreements (concluded during the period 2021 - 2025). Applicable if the average number of employees of such a company required to implement a large project during the tax year is not less than 150 (when investing in Vilnius - not less than 200) and priOther taxes: VATe capital investments in the large project are not less than EUR 20 million (EUR 30 million when investing in Vilnius). The relief would be applied only if at least 75 per cent of income of the company in the relevant tax period consists of income from data processing, web server services (hosting) and related activities or income from manufacturing, and only if income is obtained from a large project.	Boost economic growth	01-01-2021	31-12-2025	Temporary	Firms
LU	371			Tax allowance in favour of owners who reduce or give up part of the rents to be due by companies. The tax allowance is double the amount of the reduction granted and limited to EUR 15 000.				Permanent	Firms
LU	375	Unknown\Not Applicable	Unknown\Not Applicable	For corporates, the deadline for submitting the 2020 tax returns is postponed to 30 June 2021. The tax types concerned are: corporate income tax and municipal business tax.		01-01-2021		Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
LU	376	New tax	Neutral	Introduction of a 20% withholding tax on income derived by certain LU investment funds from real estate located in LU: A 20% withholding tax is levied on income (rental income, capital gains) arising from real estate assets located in LU and held directly or indirectly by certain investment vehicles. The investment vehicles considered include: Undertakings for collective investments (UCIs, Law of 17 December 2010), specialized investment funds (SIFs, Law of 13 February 2007) and reserved alternative investment funds (RAIFs, Law of 23 July 2016). Tax transparent investment vehicles are excluded from the scope of the real estate.	Raise revenues	01-01-2021		Permanent	Firms
LU	377	Neutral	Decrease	Impatriates regime ("highly-skilled workers" regime): The existing impatriate regime, regulated through a circular, has been codified in the LU law and slightly amended. The new regime also foresees an impatriation premium, paid by the employer to the impatriate, to cover the differential in the cost of living. This premium is fully deductible at the level of the employer. At the level of the impatriate, this premium is 50% tax exempt and limited to 30% of the employee's annual base salary. Moreover, the new regime applies only to impatriate employees earning at least EUR 100 000 per year and it will apply for a period of up to 8 years	Support employment or enhance skills	01-01-2021		Temporary	Firms
LU	382	Neutral	Neutral	The statute of limitation period of debts, for which collection is entrusted to the tax administration and that would have expired on 31 December 2020, is extended by one year to 31 December 2021.		12-05-2020		Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
LU	383	Unknown\Not Applicable	Unknown\Not Applicable	Possibility, for companies and physical persons exercising a liberal profession, and active in the HORECA sector, to cancel the last two quarterly advance tax payments for 2020, and the first two quarterly advance tax payments for 2021. The tax types concerned are: corporate income tax, communal business tax and personal income tax (only if profit from commercial activity)		01-01-2021		Permanent	Firms
LU	384	Neutral	Neutral	The filing of corporate income tax returns has been postponed from 31 March 2020 until 30 June 2020 for PIT and CIT tax returns				Temporary	Firms
LU	385			Possibility to cancel the first two quarterly advance tax payments for 2020, tax types concerned: corporate income tax, communal business tax and personal income tax (only if profit from commercial or craft activities, from agricultural or forestry activities or from exercising a liberal profession)				Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
LU	385			Possibility to postpone for 4 months the payment of CIT and PIT based on tax returns (concerns only tax returns with a payment deadline after February, 29th 2020). Tax types concerned: corporate income tax, communal business tax, net wealth tax and personal income tax (only if profit from commercial or craft activities, from agricultural or forestry activities or from exercising a liberal profession) This does not affect e.g. the withholding of PIT for employees.				Temporary	Firms
NL	401	Unknown\Not Applicable	Unknown\Not Applicable	The introduction of the corona tax reserve measure offers companies the possibility to deduct their expected corona related loss in 2020 from their profits in 2019. The goal of this measure is to offers companies liquidity support.	Not applicable	24/04/20		Permanent	Firms
NL	402	Unknown\Not Applicable	Unknown\Not Applicable	Further limitation of interest deductables as part of the implementation of ATAD1.	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Firms
NL	403	Increase	Neutral	The intended decrease of the higher CIT rate from 25% to 21,7% is reversed, in combination with increasing the higher tax bracket to €245.000 in 2021 and €395.000 in 2022 (currently €200.000).	Raise revenues	01-01-2021		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
NL	404	Increase	Neutral	Increase the rate of the Dutch innoOther taxes: VATion box from 7% to 9%.	Raise revenues	01-01-2021		Permanent	Firms
NL	405	Increase	Neutral	Further limitation of interest deductables by banks and insurance companies by raising the rate of the minimal capital rule from 8% to 9%, to cover te cost of a court ruling that changed the relevant debt definition.	Raise revenues	01-01-2021		Permanent	Firms
NL	406	Neutral	Neutral	From 2022, the loss relief in corporate income tax will be capped at 50% of the taxable profit, with an amount of up to EUR 1 million being still deductible. On the other hand, losses will be deductible indefinitely in time.	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Firms
NL	407	Neutral	Increase	To limit the deductibility of liquidation losses, new restrictive conditions are introduced for the deductibility of liquidation and cessation losses for financial years starting on or after 1 January 2021.	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Firms
NL	408	Increase	Neutral	Incidental increase of the two banking tax rates to cover the cost of a court ruling changing the debt definition of the minimal capital rule.	Raise revenues	01-01-2021		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
NL	414	Unknown\Not Applicable	Unknown\Not Applicable	Employers can request a special tax deferral for most taxes for the year 2020 to support liquidity. Because the deferred tax will be paid later in time, the overall budgetary effect is 0.	Not applicable	12-03-2020		Temporary	Firms
PL	429	Neutral	Neutral	The deductibility of the cost of manufacture or purchase price of property or rights that are the subject of donations made between January 1, 2020 and the end of the month in which the state of epidemic declared due to COVID-19 is revoked, to entities and for purposes referred to in the regulations, to the extent that the cost of manufacture or purchase price was not deductible, including through depreciation deductions.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	430	Neutral	Neutral	Building revenues exemption - taxable building revenues determined for the period: 1. from March 1, 2020 to December 31, 2020, 2. from January 1, 2021 through the end of the month in which the epidemic state declared due to COVID-19 is revoked.		01/01/21	The month in which the state of epidemic is canceled	Temporary	Firms
PL	432	Neutral	Neutral	Prolongation of the deadline for (1) transfer pricing report (TPR) for the selected group of related entities (2) filing a statement on preparation of transfer pricing documentation and applying prices compliant with the arm's length principle and (3) attaching a masterfile to the local transfer pricing documentation - for the selected group of related entities.	Simplify the tax system/ increase tax compliance	24/06/20	31.12.2020 / 30.04.2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	442	Unknown\Not Applicable	Decrease	Introduction of a new tax solution - a special fund for investment purposes. In an economic sense, this solution enables faster settlement of the depreciation of fixed assets in tax costs, taking into account the current ("classic") taxation rules, i.e. the allowances and preferences provided for in the CIT Act. The taxpayer, already at the time of making a write-off for a separate investment fund, includes the amount of this write-off entirely as tax deductible costs. In practice, it means a much faster settlement of the investment in tax costs. The condition is that the funds accumulated in the tax year on this special fund should be spent on investment purposes within the statutory period. The new tax solution may be used by taxpayers operating in the form of a limited liability company or joint stock company, achieving revenues in the amount below PLN 100,000,000, of which less than 50% is passive. Moreover, taxpayers must employ at least 3 people and only natural persons may be shareholders of the company.	Support investment	01/01/21		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	443	New tax	New tax	Introduction of an alternative and optional method of taxation in the corporate income tax - lump sum on the income of capital companies. The new taxation system links taxable income with the categories of balance sheet law and consists in changing the moment when the tax obligation arises, i.e. taxation of the profit is deferred until it is paid out from the company. In order to be able to use the new form of taxation the taxpayers must meet the conditions specified in the CIT Act. The new tax solution may be used by taxpayers operating in the form of a limited liability company or joint stock company, achieving revenues in the amount below PLN 100,000,000, of which less than 50% is passive. Moreover, taxpayers must employ at least 3 people and only natural persons may be shareholders of the company. The lump sum is elected for the period of the following four tax years and may be automatically extended for further four-year periods.	raise revenues	01/01/21		Permanent	Firms
PL	444	Neutral	Neutral	Possibility of applying R&D relief during the tax year. It is necessary to conduct R&D activities during the tax year, within the meaning of the CIT Act, the purpose of which is to develop products necessary to counteract COVID-19. In the case od R&D relief. It is necessary to identify eligible tax costs in accordance with the catalog of eligible costs included in the CIT Act, and then reduce the advance on income tax by the sum of these costs. This provision is in force until the end of the fiscal year in which the COVID-19 epidemic was canceled.	Support R&D/innoOther taxes: VATion	31/03/20	The fiscal year in which the state of epidemic is canceled	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	445	Neutral	Neutral	During 2020, CIT taxpayers were allowed to take into account the preferential tax rate of 5% on eligible income from IP (IP Box) used to counteract COVID-19 when calculating advances on income tax. This rule applies until the month in which the state of the epidemic declared for COVID-19 is cancelled.	Support R&D/innoOther taxes: VATion	31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	446			Introduction of an obligation to inform about the implemented tax strategy. This obligation applies to taxpayers whose revenues in the preceding year exceeded the PLN equivalent of EUR 50 million, as well as to taxpayers operating in the form of a tax capital group, regardless of the amount of revenues generated by such group.	Increase equity/fairness	01/01/21		Permanent	Firms
PL	447	Neutral	Decrease	Increase of the limit of income entitling the taxpayer to apply the 9% tax rate from EUR 1,200,000 to EUR 2,000,000.	Increase equity/fairness	01/01/21		Permanent	Firms
PL	448	Neutral	Neutral	Inclusion of limited partnerships - granting to limited partnership, which has its registered office or management board in PL, the status of an income tax taxpayer. Exemption from tax of the income of a limited partner on account of participation in the profit distributed by the limited partnership	Increase tax certainty	01/01/21		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	449	Neutral	Neutral	Enabling CIT taxpayers, whose businesses sufffered negative economic consequences of COVID-19, to deduct losses incurred in 2020 from income earned in 2019.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	450	Neutral	Decrease	Introducing the possibility for CIT taxpayers of deduction from the tax base (when calculating the tax or tax advances) the amounts of donations (in cash or in kind, including portable computers) made from January 1, 2020, through the end of the month in which an epidemic state declared due to COVID-19 is revoked, for purposes related to countering COVID-19, to designated entities.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	451	Neutral	Neutral	Option to opt out of simplified advances in 2020 and to calculate monthly advances on current income."Small taxpayers" of CIT are able to opt out of simplified advances. Taxpayers who opt out of simplified advances for the period March-December 2020 calculate monthly advances on current income on general terms (paying lower advances improves their liquidity).		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	452	Neutral	Neutral	One-off depreciation - taxpayers that in 2020 purchased fixed assets which then will be used for the production of goods related to counteracting COVID-19 (i.e. protective masks, respirators, disinfectants, medical protective clothing, shoe protectors, gloves, glasses, goggles, hand hygiene products) are able to include such costs in tax deductible costs as a one-off depreciation write-off.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	453	Neutral	Neutral	Postponed deadlines for annual CIT tax returns1. The postponement of the deadline for filing the annual CIT tax return and tax payment for the taxpayers whose tax year ends between December 1, 2019 and January 31, 2020. The deadline for such taxpayers was postponed to May 31.2. The postponement of the deadline for filing the annual CIT tax return and tax payment for taxpayers which tax year ends between December 1, 2019 and March 31, 2020 for non-governmental organizations and taxpayers achieving only tax-exempt income, as well as taxpayers operating in the public benefit sphere, if their revenues from this activity constitute at least 80% of all revenues. The deadline for such taxpayers was postponed to July 31.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	454	Neutral	Neutral	Excluding the application of regulations in income taxes regarding the so-called bad debtsThe provisions on bad debts in CIT, under certain conditions, will not be applied to advance payments of debtors, who should take into account unpaid liabilities when calculating income tax advances. Thanks to this, the debtor will not have higher burdens and the creditor will benefit from the relief as it does today.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms
PL	455	Neutral	Neutral	Postponement of:o the deadline expiring in the period from March 31, 2020 to May 31, 2020 for legal persons, organizational units without legal personality and natural persons conducting business activity, to prepare and sent information referred to in art. 82 § 1 item 2 of the Tax Ordinance Act (ORD-U), up to the fifth month after the end of the tax year for which they are drawn up;o the deadline for sending by legal persons, organizational units without legal personality and natural persons who are entrepreneurs whose tax year ended in the period from December 31, 2019 to January 31, 2020, the information referred to in art. 26 section 3 point 2 of the CIT Act (IFT-2R), by the end of the fifth month of the year following the tax year in which the payments listed in art. 26 section 1 of this Act.		31/03/20	The month in which the state of epidemic is canceled	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PL	456	Neutral	Neutral	Implementation of the Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards disparities in the qualification of hybrid structures involving third countries. Provisions to prevent mismatches in the qualification of hybrid structures involving third countries, including on permanent establishments, hybrid transfers, importing mismatches and qualification mismatches related to dual tax residence.	Increase equity/fairness	01/01/21		Permanent	Firms
PL	457	Neutral	Neutral	1) Extension of the validity of certificates of residence which would expire during the COVID-19 epidemic,2) the possibility of confirming the tax residency by a copy of the certificate of residence,3) the possibility of submitting a statement that the data contained in the certificate of residence covering 2019 (possessed by the payer) is up-to-date.	Simplify the tax system/ increase tax compliance	24/06/20	depending on the pandemic	Temporary	Firms
PT	468	Neutral	Increase	Introduction in the Portuguese CIT code of the definitions of hybrid mismatches (situations giving raise to deduction without inclusion or double deduction), double deduction, deduction without inclusion, associated enterprise and hybrid entity. Provisions regarding disallowed tax deductions resulting from hybrid mismatches, reverse hybrid mismatches and tax residency mismatches were also introduced.	Raise revenues	07-07-2020		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PT	469	Neutral	Increase	Introduction of changes to the concept of permanent establishment, namely:- Consider the existence of a stable establishment when the facilities, platforms or ships used in the exploration of natural resources in PT last longer than 90 days, when currently a minimum period of 6 months is required;- Consider the existence of a stable establishment when there is provision of services in Portuguese territory for more than 183 days over a period of 12 months (at present there is no similar standard);- Extension of the concept of dependent agent which results in the existence of a permanent establishment, including when the agent maintains a deposit of goods in PT for delivery on behalf of a foreign company;- Exclusion of facilities or warehouses maintained to deliver goods under the concept of auxiliary or preparatory activities;- Introduction of an anti-abuse rule that aims to combat the fragmentation of activities carried out in Portuguese territory that could be seen as auxiliary or preparatory in isolation, but which, jointly, would not be seen, in particular, when these activities are developed by closely related companies.	Raise revenues	01-01-2021		Permanent	Firms
PT	470	Neutral	Neutral	Cooperatives, micro companies and SMEs can waive the obligation to make advance payments in 2021.	Not applicable	01-01-2021		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
PT	471	Neutral	Neutral	Cooperatives, micro companies and SMEs can request the full refund of the amount of the special advance payment not yet offset.	Not applicable	01-01-2021		Permanent	Firms
PT	472	Neutral	Neutral	Autonomous taxation – Introduction of a transitional provision applicable to cooperatives, as well as micro, small and medium sized companies in 2020 and 2021. Under this provision, the aggraOther taxes: VATed autonomous taxation (10%) is not applicable in the following circumstances: (i) The taxpayer obtained taxable profits in one of the previous three tax years, having complied timely with the filing of the CIT return and the Annual Statement (IES) concerning the two previous tax years; or (ii) The activity started in 2020 or 2021, or those years correspond to the first or second year of activity.	Not applicable	01-01-2021		Permanent	Firms
PT	473			PT extended the carry forward of losses generated in the years of 2020 and 2021 by large companies from 5 to 12 years.		25-07-2020		Permanent	Firms
PT	474			In the supplementary state budget for 2020, PT introduced a new special investment tax credit (CFEI II) for investment expenses realized between the 1st of July 2020 and the 30th June 2021. This tax credit corresponds to a deduction on the CIT assessed of 20% of the investment expenses with the acquisition of tangible fixed assets, non-consumable biological assets and intangible assets, up		25-07-2020		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
				to the limit of 5 million euros per taxpayer. This deduction is capped at 70% of the tax assessed.					
PT	475			Reduction in tax prepayments		25-07-2020		Permanent	Firms
SK	486	Neutral	Increase	Change of tax rate from 21 % to 15 % for all self-employed with incomes below EUR 49 790 per year	Raise revenues	01-01-2021		Permanent	Firms
SK	489	Neutral	Decrease	Reduction of tax base (carry over of losses, etc.). To improve liquidity situation for SMEs, business could use carry-forward losses up to EUR 1 million from the years 2015 to fully offset tax base for tax period 2019, if available. Eurostat ruled to have the fiscal effect in 2020.	Not applicable	01-01-2020	31-12-2020	Temporary	Firms
SK	490	Decrease	Decrease	Abolition of Bank levy since July 2020. Fiscal effect halfed in 2020, then full impact.	Increase equity/fairness	01-07-2020		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
SI	509	Neutral	Neutral	Taxpayers can delay a deadline for submitting tax return of the advance payment of CIT for 2 months.	Support employment or enhance skills	29-03-2020		Temporary	Firms
SI	510	Neutral	Neutral	Taxpayers can opt to postpone the payment of the CIT liability for up to 24 months or to pay the liability in 24 monthly instalments, if there are reductions in revenue due to the COVID-19 pandemic.	Support employment or enhance skills	29-03-2020		Temporary	Firms
SI	511	Neutral	Neutral	Defferal for the advance payment of the CIT for April and May 2020 (until April 2021 when tax returns for 2020 are due).	Support employment or enhance skills	11-04-2020	31-05-2020	Temporary	Firms
SI	512	Neutral	Neutral	The postponment of the CIT advance payments for up to 24 months or to pay the liability in 24 monthly instalments.	Support employment or enhance skills	28-11-2020	31-03-2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
ES	525	Neutral	Neutral	The Decree has established a deferral for the payment of those taxes not exceeding the amount of EUR 30,000 (i.e. the amount which permits deferral without providing a guarantee), which submission and payment period, either by assessment or self-assessment, applies from 13 March 2020 to 30 May 2020. Only taxpayers with a turnover not exceeding EUR 6,010,121,04 in 2019 are entitled to the deferral. The deferral will apply for 6 months and no interest will accrue during the first 3 months of deferral.		13-03-2020		Temporary	Firms
ES	527	Neutral	Neutral	Enhanced CIT credits for film productions	Support investment	01/01/20		Permanent	Firms
ES	528	Neutral	Neutral	Enhanced tax credits for technological innoOther taxes: VATion in the automotive sector	Support R&D/innoOther taxes: VATion	01/01/20	31/12/21	Temporary	Firms
ES	529	Neutral	Neutral	Free depreciation for investments in the sustainable or connected electric mobility value chain. For operating investments from 02/04/2020 to 30/06/2021	Support investment	02/04/20	30/06/21	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
ES	530	Neutral	Increase	Full (100%) exemption of dividends and capital gains derived from resident and non-resident companies is reduced to 95%. However, the 100% exemption remains for dividends received from subsidiaries established as from 1 January 2021 by resident companies with a turnover not exceeding EUR 40 million in the previous year. The exemption applies for a period of 3 years following the year of incorporation of the subsidiary.	Increase equity/fairness	01/01/21		Permanent	Firms
ES	531	Neutral	Neutral	Royal Decree-Law 8/2020 of 17 March 2020 suspended the 3-month period starting from the closing of the financial year to prepare and approve the annual accounts and established that such 3-month period will restart once the state of alarm ended. The additional measures amend Royal Decree-Law 8/2020 to establish that the extended period will be considered to start on 1 June 2020 (not at the end of the state of alarm) and will be reduced to a 2-month period (instead of the 3-month period).		17-03-2020		Temporary	Firms
SE	558	Neutral	Decrease	Amended loss deduction rules concerning companies affected by the general interest limitation rule		01-01-2021		Permanent	Firms
SE	559	Neutral	Decrease	Investment Tax Incentive	Support investment	01-01-2022		Permanent	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
SE	560	New tax	New tax	Tax increase on the financial sector	Not applicable	01-01-2023		Permanent	Firms
SE	578	Unknown\Not Applicable	Unknown\Not Applicable	Extended possibilities to defer tax payments temporary	Not applicable	05-02-2021	12-02-2023	Temporary	Firms
BU	580	Neutral	Neutral	Extension of the deadline for submission of the annual corporate income tax returns, and for the payment of the taxes assessed therein, until 30 June 2020 (currently, the deadline is 31 March 2020).	Not applicable	24/03/20	30/06/20	Temporary	Firms
HR	590	Decrease	Neutral	Reduction of the tax rate from 12% to 10% for taxpayers who annually receive revenue up to the 7,5 million HRK (1 million EUR).	Simplify the tax system/ increase tax compliance	01/01/21		Permanent	Firms
HR	591	Neutral	Neutral	Corporate income tax can be deferred for a period of up to 3 months with possible prolongation on additional 3 months.	Not applicable	20/03/20	20/06/20	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
HR	592	Unknown\Not Applicable	Unknown\Not Applicable	A taxpayer, whose work has been suspended by a Decision of the Civil Protection Headquarters of the Republic of HR, and a tax authority may conclude an Administrative Agreement on special circumstances in order to settle the tax obligation of taxpayer due during the suspension of his work.	Simplify the tax system/ increase tax compliance	24/12/20	Within 5 days after the termination of the Decision of the Civil Protection Headquarters of the Republic of HR	Temporary	Firms
HR	593	Unknown\Not Applicable	Unknown\Not Applicable	As an exception to the special regulation on the profit tax, all donations given to legal or natural persons related to the elimination of the negative consequences of a (earthquake) catastrophe are also considered tax-deductible expenses.As an exception to the special regulation on taxation of income, all donations given to legal or natural persons related to the elimination of the consequences of a (earthquake) catastrophe are considered tax-deductible expenses, although they do not increase the level of personal deduction.	Encourage consumption	09/01/21	31- 12- 2021	Temporary	Firms

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax
AT	6			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of declining balance depreciation (30%) as well as an accelerated depreciation for buildings.	Support investment	01-07-2020		Permanent	Firms
AT	7			Type of tax: PIT ("unincorporated businesses/self employed income") AND CIT ("incorporated businesses"). Measure:Introduction of option of loss carry back.	Not applicable	21-09-2020	limited to fiscal year 2020	Temporary	Firms
BE	12	Neutral	Decrease	increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Support investment	12-03-2020	31-12-2020	Temporary	Firms
BE	13	Neutral	Decrease	Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of 20 million eur.		01-01-2019	31-12-2020	Temporary	Firms
RO	601			Corporate income tax can be deferred for a period of up to 3 months with possible prolongation on additional 3 months.		18/05/20	one time extension of the deadline	Temporary	Firms
RO	602			Microenterprises who pay the income tax due for the first quarter of 2020 by the standard deadline, i.e. 25 April 2020, will benefit from a 10% reduction in their income tax		21/4/2020	Until the end of the state of emergency	Temporary	Firms
MT	612			tax credit scheme for companies that invested in research and development (R&D) activities related to COVID-19. This scheme provided a tax credit equal to 40% of eligible R&D expenditure related to COVID-19, up to a maximum of €50,000.		22/4/2020	Uncertain, but not permanent	Temporary	Firms
MT	613			tax deferral scheme for corporate income tax that allowed companies to defer the payment of corporate income tax due in 2020 to the following year, without incurring any interest or penalties. The scheme was available to companies that had suffered a significant decline in turnover due to the pandemic.		8/4/2020	31/12/2020	Temporary	Firms

Annex 3.3: Social security contributions: tax policies implemented in EU 27 during the pandemic.

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
DK	42	Increase	Unknown\Not Applicable	01-01-2021	Pension reform: No increase in cap on the right of investors to deduct as otherwise planned, no increase in cap on special stock-accounts with lower tax-rates as otherwise planned, taxation of the notional gain on companies' gains from investments in certain properties, cap on deductions in sorporate income tax for salaries above 7 mio. DKK, increased corporate income tax on the financial sector.	Raise revenues		Permanent	Social security contributions	
EE	47	Neutral	Decrease	22/04/20	Temporary cancellation of social tax minimum for employers for three months	Support employment or enhance skills	31/12/20	Temporary	Social security contributions	
EE	48	Neutral	Neutral	22/04/20	The state pays the advance payment of social tax for self-employed persons for the first quarter of 2020.	Support employment or enhance skills	31/12/20	Temporary	Social security contributions	
FR	72	Decrease	Neutral	30-07-2020	Temporary exemptions from social security contributions for industries hit by the health crisis	Not applicable	31-12-2021	Temporary	Social security contributions	
DE	91	Increase	Decrease	01-01-2021	Increase of the supplemental contribution rate on average to statutory health insurance by 0.1 percentage points to 0.65% as of 1 January 2021	Not applicable		Permanent	Social security contributions	
EL	126	Decrease	Neutral		From 1/1/2020 all the salaried engineers insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP (Auxiliary insurance branch of e-EFKA from 1-3-2020,-Law 4670/2020), pay per month for the supplementary insurance the fixed amount of the insurance category which choose, with minimum the amount of the 1st insurance category. Three insurance categories are available.1st insurance category : 42 euro2nd insurance category : 51 euro3rd insurance category : 61 eurothe above amounts of the monthly	Increase equity/fairness		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					insurance contribution are divided by 50% to the insured and by 50% to the employer.					
EL	127	Neutral	Neutral	01/01/20	From 1/1/2020 the employed lawyers (lawyers with contract) insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP (Auxiliary insurance branch of e-EFKA from 1-3-2020,-Law 4670/2020), pay per month for the supplementary insurance the fixed amount of the insurance category which choose, with minimum the amount of the 1st insurance category. Three insurance categories are available.1st insurance category : 42 euro2nd insurance category : 51 euro3rd insurance category : 61 eurothe above amounts of the monthly insurance contribution are divided by 50% to the employer and by 50% to the insured.	Support employment or enhance skills		Permanent	Social security contributions	
EL	128	Neutral	Neutral	1.1.2021	The insurance contribution of the optionally insured employees at the Auxilliary Insurance Branch of e-EFKA is set at 3,25% for the iinsured and 3,25% for the employer, and calculated on the same income that the social security contributions for pension are calculated.	Increase equity/fairness		Permanent	Social security contributions	
EL	129	Neutral		01.01.2020	The insurance contribution for the employed lawyers, engineers and doctors insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP, (Lump Sum Sector of e-EFKA from 1-3-2020, -Law 4670/2020) is set at three categories. The employee chooses among the set sum of 26 € (1st category), 31 € (2nd category) or 37 € (3rd category) per month. Lawyers pay only the half of the above amounts (laywer' s employers cover 50 % of the monthly contribution.	Increase equity/fairness		Permanent	Social security contributions	
EL	130	--Select--	--Select--	01/01/21	The insurance contribution of the optionally insured employees at the Lump Sum Sector of e-EFKA is set at 4 % and calculated on the same income that the social security contributions for pension are calculated.	Increase equity/fairness		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
EL	131	Decrease	Neutral	01/06/20	A reduction of 0,42 units of the insurance rate,in case of full employment, for the danger of unemployment	Boost economic growth		Permanent	Social security contributions	
EL	132	Decrease	Neutral	01/01/21	A reduction of 1,21 units of the insurance rate,in case of full employment, for the danger of unemployment	Boost economic growth	31/12/21	Temporary	Social security contributions	
EL	133	Decrease	Neutral	01/09/20	100% government funding of the total social security contributions (employees and employers), for September and October 2020, for performers, artists and tour guides. The social security contributions are calculated on the amount of the compensation the above received during the above period (534 euro per month).	Support employment or enhance skills	31/10/20	Temporary	Social security contributions	
EL	134	Decrease	Neutral	01/11/20	100% government funding of the total social security contributions (employees and employers), for November and December 2020, for performers and artists. The social security contributions are calculated on the amount of the compensation the above received during the above period (534 euro per month).	Support employment or enhance skills	31/12/20	Temporary	Social security contributions	
EL	135	Decrease	Neutral		The insurance contribution of the employers of salaried engineers insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP, (Auxilary insurance branch of e-EFKA from 1-3-2020, -Law 4670/2020) is set at three categories. The employee chooses among the set sum of 42 € (1st category), 51 € (2nd category) or 61 € (3rd category) per month. The employers of salaried engineers cover 50 % of the monthly contribution.	Increase equity/fairness		Permanent	Social security contributions	
EL	136	Decrease	Neutral	01/01/20	The insurance contribution of the employers of employed lawyers insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP, (Auxilary insurance branch of e-EFKA from 1-3-2020, -Law 4670/2020) is set at three categories. The employee chooses among the set sum of 42 € (1st category), 51 € (2nd category) or 61 € (3rd category) per month. The employers of lawyers cover 50 % of the monthly contribution.	Support employment or enhance skills		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
EL	137	Neutral		01/01/20	The insurance contribution of the employers of lawyers insured in the ex Unified Supplementary Insurance and Lump Sum Fund – ETEAEP, (Lump Sum Sector of e-EFKA from 1-3-2020, -Law 4670/2020) is set at three categories. The employee chooses among the set sum of 26 € (1st category), 31 € (2nd category) or 37 € (3rd category) per month. Laywer' s employers cover 50 % of the monthly contribution.	Increase equity/fairness		Permanent	Social security contributions	
EL	138	Decrease	Neutral	01/06/20	A reduction of 0,48 units of the insurance rate, in case of full emloyment, for the danger of unemployment	Boost economic growth		Permanent	Social security contributions	
EL	139	Decrease	Neutral	01/01/21	A reduction of 1,79 units of the insurance rate, in case of full emloyment, for the danger of unemployment	Boost economic growth	31/12/21	Temporary	Social security contributions	
EL	140	Neutral	Neutral	11/03/20	Extension of the payment of the current social security contributions for employees, for February, March and April 2020, until 30/4/2021	Support investment	30/04/21	Temporary	Social security contributions	
EL	141	Decrease	Neutral	01/07/20	100% government funding of the employers contributions, from 1/7/2020 to 30/9/2020, for enterprises which operate in services sector, under the condition that they had the previous year (2019) 50% of their income in the 3rd trimester of 2019	Support investment	30/09/20	Temporary	Social security contributions	
EL	142	Decrease	Neutral	01/07/20	100% government funding of the employers contributions, from 1/7/2020 to 30/9/2020, for enterprises in airline and maritime sector	Support investment	30/09/20	Temporary	Social security contributions	
EL	143	Decrease	Neutral	01/09/20	100% government funding of the employers contributions, from 1/9/2020 to 31/12/2020, for enterprises which operate in tourist accommodation sector, under the condition that they have a 70% reduction of their earnings from January up to August 2020 comparing to the their earnings for the same period of time of 2019.	Support investment	31/12/20	Temporary	Social security contributions	
EL	144	Decrease	Neutral	01/06/20	100% government funding of the employers contributions, from 1/6/2020 to 30/9/2020, for enterprises who hire, for part – time work, seasonal workers in touristic sector and restaurant and cafe services, with no obligatory recruitment right for 2020.	Support investment	30/09/20	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
EL	145	Decrease	Neutral	11/03/20	100% government funding of the total social security contributions (employees and employers) for employees whose labor agreement is suspended during 2020 due to the measures taken for measuring the spread of COVID-19. The social security contributions are calculated on the salary paid before the suspension of the labor agreement.	Support investment	28/02/21	Temporary	Social security contributions	
EL	146	Decrease	Neutral	15/06/20	100% government funding of the total social security contributions (employees and employers), from 15/6/2020 until 28/2/2021, for the period of time the enterprise join the employment support scheme SYN-ERGASIA and the employee does not work due to the reduction of working hours.	Support investment	28/02/21	Temporary	Social security contributions	
EL	147	Decrease	Neutral	01/06/20	100% government funding of the total social security contributions (employees and employers), from 1/6/2020 until 31/10/2020, for seasonal workers in tourist accommodation sector and bus drivers working in travel agencies, with obligatory recruitment right for 2020. The social security contributions are calculated on the amount of the compensation the above employees received during the above period (534 euro per month).	Support investment	31/10/20	Temporary	Social security contributions	
EL	148	Neutral	Neutral	15/09/20	100% government funding of the total social security contributions (employees and employers) paid on the Christmas bonus 2020, for the period of 2020 the employees labor agreement was suspended due to the measures taken for measuring the spread of COVID-19, and for the period of 2020 the enterprises joined the employment support scheme SYN-ERGASIA and the employee did not work due to the reduction of working hours.	Support investment	31/12/20	Temporary	Social security contributions	
EL	149	Neutral	Neutral		From 1/1/2020 the self - employed and free lancers pay per month for the main insurance the fixed amount of the insurance category which choose, with minimum the amount of the 1st insurance category. Six insurance categories are available, and a special for new self - employed for the first 5 years of insurance.1st insurance category : 155 euro2nd insurance category : 186 euro3rd insurance category : 236 euro4th insurance category : 297 euro5th insurance category : 369 euro6th insurancecategory : 500 euroSpecia insurrance category (for new self - employed) : 93 euro	Increase equity/fairness		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
EL	150	Neutral	Neutral		From 1/1/2020 the farmers pay per month for the main insurance the fixed amount of the insurance category which choose, with minimum the amount of the 1st insurance category. Six insurance categories are available.1st insurance category : 87 euro for 2020, 89 euro for 2021 and 91 euro from 20212nd insurance category : 104 euro for 2020, 107 for 2021 and 110 euro from 20203rd insurance category : 132 euro for 2020, 136 euro for 2021 and 139 euro from 20224th insurance category : 166 euro for 2020, 171 euro for 2021 and 175 euro from 20225th insurance category : 207 euro for 2020, 212 euro for 2021 and 218 euro from 20226th insurancecategory : 280 euro for 2020, 288 euro for 2021 and 296 euro from 2022.	Increase equity/fairness		Permanent	Social security contributions	
EL	151	Neutral	Neutral		From 1/1/2020 the self - employed and free lancers insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP (Auxiliary insurance branch of e-EFKA from 1-3-2020,-Law 4670/2020), pay per month for the supplementary insurance the fixed amount of the insurance category which choose, with minimum the amount of the 1st insurance category. Three insurance categories are available.1st insurance category : 42 euro2nd insurance category : 51 euro3rd insurance category : 61 euro	Increase equity/fairness		Permanent	Social security contributions	
EL	152	Neutral	Neutral	1.1.2021	The insurance contribution of the optionally insured self-employed (doctors and farmers) at the Auxilliary Insurance Branch of e-EFKA is set at at three categories. The insured chooses among the set sum of 42 € (1st category), 51 € (2nd category) or 61 € (3rd category) per month.	Increase equity/fairness		Permanent	Social security contributions	
EL	153	Neutral		01/01/20	The insurance contribution of the self employed insured in the ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEP, (Lump Sum Sector of e-EFKA from 1-3-2020, -Law 4670/2020) is set at three categories. The insured chooses among the set sum of 26 € (1st category), 31 € (2nd category) or 37 € (3rd category) per month.	Increase equity/fairness		Permanent	Social security contributions	
EL	154			01/01/21	The insurance contribution of the optionally insured self-employed at the Lump Sum Sector of e-EFKA is set at three categories. The insured chooses among the set sum of 26 € (1st category), 31 € (2nd category) or 37 € (3rd category) per month.	Increase equity/fairness		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
EL	155	Neutral	Neutral	20/03/20	Extension of the payment of current social security contributions payments for the months of February, March, April and May 2020, until 30/4/2021.	Support investment	31/4/2021	Temporary	Social security contributions	
EL	156	Decrease	Neutral	30/03/20	25% reduction in current social security contributions for the months of February, March, April and May 2020, provided that they are paid by the due date.	Support investment	30/06/20	Temporary	Social security contributions	
HU	180	Decrease	Decrease	19-03-2020	Sectors that were severely hit by the pandemic (e.g. tourism, restaurants, entertainment venues, sports, cultural services, transportation) was exempted from paying employees' SSC-s until the en of June 2020.	Support employment or enhance skills	18-06-2020	Temporary	Social security contributions	
HU	181	Decrease	Decrease	11-11-2020 10-12-2020 23-12-2020	Businesses in certain sectors (e.g.: catering, leisure and sports activities) are exempted from paying employers' contributions from November 2020 - February 2021. And small businesses (in these sectors) under the KIVA regime may deduct personnel costs from their tax base.	Support employment or enhance skills	end of the state of emergency	Temporary	Social security contributions	
HU	182	Decrease	Neutral	01-07-2020	Employers' SSC were cut by further 2 percentage points from 17.5% to 15.5% from 1 July 2020.	Support employment or enhance skills		Permanent	Social security contributions	
HU	183	Decrease	Decrease	22-04-2020	Fringe benefits (cafeteria) provided on SZÉP card are temporarily exempt from SCT, until Q3 of 2021	Encourage consumption	18-06-2020	Temporary	Social security contributions	
HU	184	Decrease	Decrease	19-03-2020	Sectors that were severely hit by the pandemic (e.g. tourism, restaurants, entertainment venues, sports, cultural services, transportation) was exempted from paying employers' SSC-s until the en of June 2020.	Support employment or enhance skills	18-06-2020	Temporary	Social security contributions	
HU	185	Decrease	Decrease	19-03-2020	Tax holiday for small businesses under the simplified, small business oriented tax regime (lump-sum KATA) in 26 activities (e.g. personal transport services, beauty services, dental services, accommodation etc.), for the months March, April, May and June 2020.	Support employment or enhance skills	18-06-2020	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
HU	186	Increase	Increase	01-01-2021	The regulation of the lump sum tax of small enterprises will be modified in order to prevent the harmful practice of sourcing employment contracts into the preferential regime.	Increase equity/fairness		Permanent	Social security contributions	
HU	199	Increase	Increase	22-04-2020	Employers are obligated to pay the minimum health security contribution for each worker on unpaid leave in order to maintain their social security contracts.	Increase equity/fairness	18-06-2020	Temporary	Social security contributions	
HU	200	Increase	Increase	01-01-2020	Introduction of an inflation targeting mechanism into the minimum health security contribution	Increase equity/fairness		Permanent	Social security contributions	
IE	238	Neutral	Neutral		Section 772(2) of the Taxes Consolidation Act 1997 provides that one of the conditions for tax approval of an occupational pension scheme is that an employer should contribute to the scheme. In the current circumstances, during the applicable period of the temporary wage subsidy scheme, tax approval will not be withdrawn from an occupational pension scheme for the reason that an employer who is in receipt of the temporary wage subsidy is not currently making contributions to the scheme.	Simplify the tax system/ increase tax compliance	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	Social security contributions	
IT	275	Neutral	Neutral	17/03/20	Social security contributions due by households for domestic workers are suspended until 31st May 2020		31/05/20	Temporary	Social security contributions	
IT	276			15/08/20	Employers (excluding farmers) which adopted short-time working schemes in May and June are exempted from paying workers' SSC for 4 months if they don't apply for further support between August and December 2020.		31/12/20	Temporary	Social security contributions	
IT	277			15/08/20	Employers (excluding farmers) hiring workers with permanent contract by December 2020 are exempted from paying SSC for six months. The same relief is applied to seasonal jobs in the touristic sector for a maximum of 3 months		31/12/20	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
IT	278			15/08/20	Employers operating in disadvantaged Southern regions are exempted from paying the 30% of workers' SSC owed between October 2020 and December 2020		31/12/20	Temporary	Social security contributions	Low income
IT	279	Neutral	Decrease	25/12/20	Access to short-time working schemes is easied further. Employers which adopted short-time working schemes are exempted from paying workers' SSC for one month, until January, if they don't apply for further support.		31/12/21	Temporary	Social security contributions	
IT	280	Neutral	Neutral	25/12/20	SSC payments due by November 2020 are postponed for firms operating in sectors mostly affected by the crisis including tourism, catering, entertainement. Payments are due by march 2021 and can be paid in 4 monthly instalments.		31/12/21	Temporary	Social security contributions	
IT	281	Neutral	Decrease	25/12/20	SSC's payments due in November 2020 by tax-payers operating in agricolture and fishing are waived.		31/12/20	Temporary	Social security contributions	
IT	310	Neutral	Neutral	02/03/20	The payment of employers' and employees' social securiy contributions as well as employees' PIT withholdings for tourist sector operators is suspended until 30 April 2020 for the entire country.		30/04/20	Temporary	Social security contributions	
IT	311	Neutral	Neutral	17/03/20	Tax and SSC payments for March and April, as well as Other taxes: VAT payments for March, are suspended for all firms in the most affected sectors (tourism, transport, catering, entertainement, sport and education). This suspension also extends to firms in all sectors with revenues under 2 million euros. Independently from this revenue threshold, firms and self employed working in provinces mainly affected by the emergency (namely Bergamo, Cremona, Lodi and Piacenza) will benefit from a suspension of their Other taxes: VAT payments.		30/04/20	Temporary	Social security contributions	
IT	312	Neutral	Neutral	08/04/20	Suspension of Other taxes: VAT, SSC and withheld PIT payments concerning April and May 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros if the 2020 March and April revenues decrease is at least the 33% of the 2019 corresponding month		31/05/20	Temporary	Social security contributions	Low income

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
					revenues. In case of a revenues level over 50 million euros, the decrease has to be at least the 50% of the 2019 corresponding month.					
IT	317	Neutral	Neutral	25/12/20	Suspension of Other taxes: VAT, SSCs and withhold PIT payments due by december 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros in 2019 if the 2020's November revenues decrease is at least the 33% of the 2019's corresponding month revenues. The suspension holds independently by their size for tax-payers operating in the most hitted sectors as well as activities started after Novemebr 2019. Payments are due by March 2021.		31/12/21	Temporary	Social security contributions	Low income
LV	349	Decrease	Neutral	01.01.2021	Decrease of social security contributions` rate by 1 percent point (from 35.09% to 34.09%)	Boost economic growth		Permanent	Social security contributions	
LV	350	Increase	Increase	01.01.2021	Introduction of minimum social contribution payments (enters into force on 01.07.2021) and reorganization of alternative tax regime (including Micro-enterprise tax)	Increase equity/fairness		Permanent	Social security contributions	
LT	356	Neutral	Decrease	01-01-2021	As of 2021 the ceilling of SSC is applied for the insured person's overall employment income (combined from all employers)	Increase equity/fairness		Permanent	Social security contributions	
LT	357	Neutral	Increase	01-01-2021	As of 2021 the ceilling of SSC is no longer applied for the SSC paid by the employer	Increase equity/fairness		Permanent	Social security contributions	
LT	358	Neutral	Neutral	15-03-2020	Deferring or arranging the SSC payments (af all SSC types: employee's, employer's and self-employed) in instalments according to the agreed schedule without interest to be paid. (Note: An interest-free SSC loan agreement can be concluded after 5 years or earlier).	Not applicable	Until the end of quarantine	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
LU	373	Decrease	Neutral	01-01-2020	Low decrease of the contribution rate for the Injury insurance from 0,8% in 2018 to 0,75% in 2020. Since 2019, this rate is multiplied by a bonus/malus factor.	Not applicable		Permanent	Social security contributions	
NL	399	Neutral	Increase	01-01-2021	The tax exemption for costs associated with work is increased to accomodate the increasing number of teleworkers caused by corona in 2020. This is covered by limiting the exemption in later years.			Permanent	Social security contributions	
NL	400	New tax	New tax	01-01-2021	To stimulate investment of companies during the coronacrisis, a temporarily new investment related tax credit is introduced for 2020 en 2021. To qualify for the tax credit the company should pay CIT or PIT and invests at least 200.000 euro in new business assets, wich are taken in productivity within six months. The tax credit is 3,9% for investments below 5 million and 1,8% for investments of 5 million and more.	Support investment		Permanent	Social security contributions	
NL	416	Unknown\Not Applicable	Unknown\Not Applicable	01-01-2022	As part of the pension agreement some fiscal changes are made in the second and third pension pillar. From 1 january 2022 it is possile to pay-out an incidentel deposit of 10 percent from your pernsion savings. From 1 january 2021 the rules around early retirement and fiscal friendly pension savings are changed.	Encourage savings		Permanent	social security contributions	
PL	433	Decrease	Neutral	16/12/20	SECTOR SHIELD 6.0: Exemption from payment of SSC (100%) for civil-law contractors from certain sectors from January to April 2021	Support employment or enhance skills	30/04/21	Temporary	Social security contributions	
PL	434	Unknown\Not Applicable	Unknown\Not Applicable	28/12/20	Additional care benefit for parents who had to look after children of up to 8 years of age (or older if with disabilities), in case of closure of nurseries, kindergartens, schools or other educational facility.	Increase equity/fairness	14/02/21	Temporary	Social security contributions	Family
PL	435	Decrease	Neutral	08/03/20	3-month exemption from payment of SSC (100%) for employers with 1-9 employees and reduction of SSC (50%) for employers with 10-49 employees, from March to May 2020	Support employment or enhance skills	30/06/20	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
PL	436	Decrease	Neutral	15/10/20	SECTOR SHIELD 5.0: Exemption from payment of SSC (100%) for entrepreneurs from sectors connected with tourism from July to September 2020	Support employment or enhance skills	30/11/20	Temporary	Social security contributions	
PL	437	Decrease	Neutral	30/12/20	SECTOR SHIELD 6.0: Exemption from payment of SSC (100%) for entrepreneurs from certain sectors from July to September 2020	Support employment or enhance skills	15/03/21	Temporary	Social security contributions	
PL	438	Decrease	Neutral	30/12/20	SECTOR SHIELD 6.0: Exemption from payment of SSC (100%) for entrepreneurs from certain branches for September 2020	Support employment or enhance skills	31/01/21	Temporary	Social security contributions	
PL	439	Decrease	Neutral	01/02/21	SHIELD 7.0: Exemption from payment of SSC (100%) for entrepreneurs from certain sectors for January 2021	Support employment or enhance skills	31/03/21	Temporary	Social security contributions	
PL	440	Decrease	Neutral	01/02/21	SHIELD 7.0: Exemption from payment of SSC (100%) for entrepreneurs from certain sectors from December 2020 to January 2021	Support employment or enhance skills	31/03/21	Temporary	Social security contributions	
PL	441	Decrease	Neutral	08/03/20	3-month exemption from payment of SSC (100%) for self-employed, from March to May 2020	Support employment or enhance skills	30/06/20	Temporary	Social security contributions	
SK	487	Neutral	Increase	01-01-2021	Abolition of 13. and 14. wages exemption	Raise revenues		Permanent	Social security contributions	
SK	488	Neutral	Neutral	01-04-2020	Tax waiver of SSC for closed enterprises in April	Not applicable	30-04-2020	Temporary	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
SI	502	Neutral	Neutral	13-03-2020	Exemption of payment of employees' social security insurance contributions for all employees that wait for work due to temporary incapacity of employer to provide work for business reasons or "force majeure".	Support employment or enhance skills	31-05-2020	Temporary	Social security contributions	
SI	503	Neutral	Neutral	13-03-2020	Exemption from payment of employees' pension and disability insurance contributions (including contributions for profesional pensions) for employees that continued working in the employment relationship, for the period from 13 March 2020 to 31 May 2020.	Support employment or enhance skills	31-05-2020	Temporary	Social security contributions	
SI	504	Neutral	Neutral	28-11-2020	The postponment of the SSCs payments for up to 24 months or to pay the liability in 24 monthly instalments.	Support employment or enhance skills	31-03-2021	Temporary	Social security contributions	
SI	505	Neutral	Neutral	13-03-2020	Exemption of payment of employers' social security insurance contributions for all employees that wait for work due to temporary incapacity of employer to provide work for business reasons or "force majeure".	Support employment or enhance skills	31-05-2020	Temporary	Social security contributions	
SI	506	Neutral	Neutral	13-03-2020	Exemption from payment of employers' pension and disability insurance contributions (including contributions for profesional pensions) for employees that continued working in the employment relationship, for the period from 13 March 2020 to 31 May 2020.	Support employment or enhance skills	31-05-2020	Temporary	Social security contributions	caregiving
SI	507	Neutral	Neutral	29-03-2020	Deferral of payment of SSCs for self-employed persons who have no other employees and for farmers for three months. The total value of deferred contributions, excluding interest on late payment, will have to be paid by 31 March 2022 at the latest.	Support employment or enhance skills		Temporary	Social security contributions	
SI	508	Neutral	Neutral	11-04-2020	Exemption of payment of SSCs for self-employed persons, farmers for three months.	Support employment or enhance skills	31-05-2020	Temporary	Social security contributions	
SE	553	Decrease	Neutral	01-03-2020	Temporary reduction of SSC for employers	Support employment or enhance skills		Permanent	Social security contributions	

Country	ID	Tax rate	Tax base	Entry into force	Description of tax measure	Main objectives	End date	Nature	Type of tax	Target
SE	554	Decrease	Neutral	06-02-2021	Temporary reduced SSC for employed youth 19-23 years old	Support employment or enhance skills	31-03-2023	Temporary	Social security contributions	
SE	555	Decrease	Neutral	01-07-2021	Reduction of employer SSC for the first employee is temporarily increased to two employees	Support employment or enhance skills		Permanent	Social security contributions	
SE	556	Decrease	Neutral	01-07-2021	A further increase in the reduction of SSC for persons working with R&D	Support R&D/innoOther taxes: VATion		Permanent	Social security contributions	
SE	557	Decrease	Neutral	01-01-2020	Temporary reduction of SSC for self-employed			Permanent	Social security contributions	
SE	550	Neutral	Increase	01-01-2023	Raised age for eligibility of increased basic allowance and reduced SSC for older persons			Permanent	Social security contributions	

Annex 3.4: Indirect taxes: tax policies implemented in EU 27 during the pandemic.

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
AT	4	Decrease		Reduction of tax rate on food and beverages consumed in restaurants, on accomodation services, on cultural services and certain publications to 5% for the second half of 2020.	Not applicable	01-07-2020	31-12-2021	Temporary	Other taxes: VAT	
AT	5	Increase		Increase of flight ticket tax	Promote environmental sustainability	01-09-2020		Permanent	Other taxes: indirect taxes	
AT	8			Type of tax: Measure potentially affects all types of taxes. Measure:Eased and extended access to tax debt deferrals.Revenue impact:Deferral of collection of revenue to later periods; initial loss of revenue in year one is compensated in later years (apart from losses stemming from bankruptcies)	Not applicable	01-10-2020		Temporary	Other measures	
BE	23	Decrease	Neutral	introduction of a reduced Other taxes: VAT rate of 6% for the restaurant sector (compared to 12% at present)	Encourage consumption	08-06-2020	31-12-2020	Temporary	Other taxes: VAT	
BE	24	Neutral	Neutral	Transposition of the e-commerce directive	Increase equity/fairness	01-07-2021		Permanent	Other taxes: VAT	
BE	25	Neutral	Increase	Increase excise duty tobacco	Improve health	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
BE	26	Decrease	Neutral	reduced Other taxes: VAT rate of 6% for the demolition of a building to rebuild a priOther taxes: VATe house is temporarily extended to all of Belgium.	Boost economic growth	01/01/21	31-12-2022	Temporary	Other taxes: VAT	
CZ	35	Decrease	Neutral	reduction of reduced rate from 15 % to 10 % for accommodation, cultural and sporting events and services	Encourage consumption	01/07/20		Permanent	Other taxes: VAT	
CZ	36	Decrease	Neutral	excise duty on diesel was reduced	Boost economic growth	01/01/21		Permanent	Other taxes: indirect taxes	
CZ	37	Increase	Unknown\Not Applicable	Increase in excise duty rates on tobacco products	Raise revenues	01/01/21		Permanent	Other taxes: indirect taxes	
CZ	38	Unknown\Not Applicable	Unknown\Not Applicable	abolition of real estate acquisition tax	Simplify the tax system/ increase tax compliance	01/12/19		Permanent	Other taxes: indirect taxes	
CZ	39	Decrease	Neutral	25% reduction in road tax on trucks	Boost economic growth	01/01/20		Permanent	Other taxes: indirect taxes	
DK	40	Decrease	Neutral	Climate compromise for energy and industry 2020: Decrease in energy tax on the use of electricity and increase in the energy tax on use of fossil fuels for the heating of rooms and postponing of the temporary energy tax	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
DK	41	Increase	Unknown\Not Applicable	Green tax reform 2020: Higher taxes on greenhouse gas emissions and temporary increase in depreciations for tax purposes to promote investment in certain green technology etc.	Promote environmental sustainability	23-11-2020		Permanent	Other taxes: indirect taxes	
CZ	41	Unknown\Not Applicable	Unknown\Not Applicable	waiver of sanctions, tax deferrals and their reduction CIT, PIT, Other taxes: VAT, road tax and real estate acquisition tax	Not applicable	16/03/20		Permanent	Other taxes: VAT	
EE	49	Neutral	Increase	Abolition of the EUR 22 exemption for a small consignments imported from outside the Community (EU)	Increase equity/fairness	01/07/21		Permanent	Other taxes: VAT	
EE	50	Neutral	Neutral	Bad debts (change in Other taxes: VAT procedure related to unpaid invoices)	Increase equity/fairness	01/01/22		Permanent	Other taxes: VAT	
EE	51	Decrease	Decrease	Reduction of fuel excise duties (diesel, liquid gas)	Boost economic growth	01/05/20	30/04/22	Temporary	Other taxes: indirect taxes	
EE	52	Decrease	Decrease	Reduction of natural gas excise duty	Boost economic growth	01/05/20	30/04/22	Temporary	Other taxes: indirect taxes	
EE	53	Decrease	Decrease	Reduction of electricity excise duty	Boost economic growth	01/05/20	30/04/22	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
EE	54	Decrease	Decrease	Suspension of the obligation to pay excise duty of tobacco liquids excise dutie	Boost economic growth	01/04/21	31/12/22	Temporary	Other taxes: indirect taxes	
FI	65	Neutral	Neutral	Payment arrangements with eased terms. In a regular payment arrangement, the late-payment interest is 7% and the first instalment must be paid within one month from the start of the arrangement.The payment arrangement with eased terms was based on a temporary legislative amendment, which allowed for a late-payment interest rate of 2.5% to be applied on taxes included in a payment arrangement that fell due between 1 March and 31 August 2020 as well as on repaid Other taxes: VAT.	Support employment or enhance skills	01-05-2020	31-08-2020	Temporary	Other taxes: VAT	
FI	66	Neutral	Neutral	Until 31 August, companies could request for the Other taxes: VAT they had paid at the beginning of 2020 to be returned to them. This request could be made by applying for a payment arrangement. As part of their payment arrangements, the companies agreed to pay the Other taxes: VAT back to the Tax Administration at a later date.	Support employment or enhance skills	26-06-2020	31-08-2020	Temporary	Other taxes: VAT	
FI	67	Decrease	Neutral	Other taxes: VAT exemption with the right to deduct for goods needed to test, prevent or treat COVID-19. Applicable with certain limits.	Improve health	30-01-2020	30-04-2021	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
FI	68	Unknown\Not Applicable	Neutral	Other taxes: VAT relief for small businesses increased from 10 000 euros to 15 000 euros of net sales.	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Other taxes: VAT	
FI	69	Increase	Neutral	Increase in energy tax on heating fuels, decrease in tax on electricity for industry, agriculture and data centers (electricity class II), gradually abolishing the tax refund for energy-intensive enterprises, decrease tax expenditure on CHP	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
FI	70	Increase	Neutral	Increase in tax on alcohol	Raise revenues	01-01-2021		Permanent	Other taxes: indirect taxes	
DE	80	Decrease	Unknown\Not Applicable	Reduction of the Other taxes: VAT rate for meals (not drinks) in restaurants from 19 to the reduced rate of 7 % from 1st July 2020 to 30th June 2021.	Encourage consumption	01-07-2020	30-06-2021	Temporary	Other taxes: VAT	
DE	85	Decrease	Unknown\Not Applicable	Other taxes: VAT was reduced for a six-month period from 1 July to 31 December 2020. The standard Other taxes: VAT rate was cut from 19% to 16%, and the reduced Other taxes: VAT rate was cut from 7% to 5%.	Encourage consumption	01-07-2020	31-12-2020	Temporary	Other taxes: VAT	
DE	87	Unknown\Not Applicable	Unknown\Not Applicable	In case of global deferment of payments of import duties: As of 1 January 2021, the deadline for paying import Other taxes: VAT is deferred from the 16th to the 26th of the following month.	Increase equity/fairness	06-10-2020		Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
DE	92	Increase	Increase	CO2-related reform of motor vehicle tax for newly registered vehicles as of 1 January 2021; extended tax exemption for all-electric vehicles	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
DE	111	Unknown\Not Applicable	Increase	Implementation of the second stage of the EU e-commerce Other taxes: VAT package	Raise revenues	01-07-2021		Permanent	Other taxes: VAT	
DE	117	Decrease	Decrease	Prolonged reduction of the Other taxes: VAT rate for meals in restaurants from 19 % to the reduced rate of 7 % until 31 December 2022	Encourage consumption	18-03-2021	31-12-2022	Temporary	Other taxes: VAT	
DE	119	Neutral	Neutral	In order to improve companies' liquidity situation, the options for deferring tax payments and reducing prepayments are enhanced, and enforcement rules are adapted. Accordingly it is easier to get tax deferrals granted by the tax authorities when it is necessary to avoid significant hardship. The revenue authorities are instructed to not impose strict conditions in this respect.Requests possible until 30.06.2021 for tax deferrals till 30.09.2021, simplified procedure of tax deferrals till 31.12.2021 only in the case of an installment agreement. Requests for the suspension of enforcement measures possible till 30.06.2021 for the suspension of enforcement measures till 30.09.2021, simplified suspension of enforcement measures till 31.12.2021		19-03-2020	31-12-2021	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				only in the case of an installment agreement						
DE	121	Unknown\Not Applicable	Unknown\Not Applicable	Reduction of the special Other taxes: VAT prepayment for the permanent extension of time granted for the year 2020 and 2021		20-03-2020	31-12-2021	Temporary	Other taxes: VAT	
EL	157	Decrease	Neutral	Reduced Other taxes: VAT rate of 6% on music books	Increase equity/fairness	31/07/20		Permanent	Other taxes: VAT	
EL	158	Decrease	Neutral	Reduced Other taxes: VAT rate of 13% on tickets for sport events	Encourage consumption	01/09/20	30/06/21	Temporary	Other taxes: VAT	
EL	159	Decrease	Neutral	Reduced Other taxes: VAT rate of 13% on non alcoholic beverages, cinema tickets, transports of pesons and their luggages	Encourage consumption	01/06/20	30/04/21	Temporary	Other taxes: VAT	
EL	160	New tax	Neutral	0% Other taxes: VAT rate on vaccines and in vitro diagnostic medical devices for the prevention and diagnosis of COVID-19 disease and related services	Improve health	23/12/20	31/12/22	Temporary	Other taxes: VAT	
EL	161	Decrease	Neutral	Reduced tax Other taxes: VAT rate of 6% on specific products intended to be used from people with visual impairement	Increase equity/fairness	23/12/20		Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
EL	162	Decrease	Neutral	Reduced Other taxes: VAT rate of 13% on the import of art objects, collections or antiquities and the delivery of specific objects of artistic value	Encourage consumption	26/10/2020	31/12/21	Temporary	Other taxes: VAT	
EL	163	Unknown\Not Applicable	Unknown\Not Applicable	Extension for a period of six months for the 30% reduction in the value added tax rates of the islands of Leros, Lesvos, Kos, Samos and Chios.	Increase equity/fairness		until 30-06-2021	Temporary	Other taxes: VAT	
EL	164			Deferral of Other taxes: VAT payments for those affected by the pandemic	Not applicable	11/03/2020		Permanent	Other taxes: VAT	
EL	165			25% offsetting with future tax Other taxes: VAT obligations	Not applicable	13/04/2020		Permanent	Other taxes: VAT	
EL	166	Decrease	Neutral	Other taxes: VAT reduction in tourist packages from 80/20 (80% subject to 13% rate and 20% subject to 24% rate) to 90/10	Not applicable	01/06/2020	31/12/20	Temporary	Other taxes: VAT	
EL	167	Decrease	Neutral	Lower Other taxes: VAT rate of 6% on personal hygiene products	Not applicable	10/04/2020		Permanent	Other taxes: VAT	
EL	168	Unknown\Not Applicable	Neutral	new calculation of road taxes based on the European and global method of measuring CO2 emissions	Increase equity/fairness	01/01/2021		Permanent	Other taxes: indirect taxes	
EL	169	Unknown\Not Applicable	Neutral	new calculation of vehicle registration fees based on the European and global method of measuring CO2 emissions	Increase equity/fairness	01/01/2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
EL	173			Deferral of payments of taxes due and installments of settled tax obligations	Not applicable	11/03/2020		Permanent	Other taxes: indirect taxes	
EL	174			Deferral of tax payments for real estate owners who received lower rents due to COVID 19	Not applicable	20/03/2020		Permanent	Other taxes: indirect taxes	
EL	175			25% reduction in settled taxes due, paid in time from taxpayers affected by the pandemic	Not applicable	30/03/2020		Permanent	Other taxes: indirect taxes	
EL	176			Suspension of cable TV duty	Not applicable	30/09/21		Permanent	Other taxes: indirect taxes	
EL	177			Extension of road tax payment	Not applicable	14/02/2020		Permanent	Other taxes: indirect taxes	
EL	178			Reduction of rents by 40% for those affected by the pandemic	Not applicable	10/04/2020		Permanent	Other measures	
HU	194	Neutral	Neutral	Acceleration of Other taxes: VAT refunds for SMEs from 75 days to 30 days for normal taxpayers and from 30 days to 20 days for reliable taxpayers (liquidity effect) Firstly affected tax returns: tax returns of March and the 1st quarter	Not applicable			Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
HU	195	Decrease	Neutral	Decreasing Other taxes: VAT rate to 5% (from 27%) on new built houses/dwellings until 2022 as part of Family Housing Subsidy Programme (transitional rules until 31.12.2026) (contains the fiscal impact of decrease of Other taxes: VAT rate on residential properties to be constructed in brownfield sites, as well)	Increase equity/fairness	01-01-2021	31-12-2022	Temporary	Other taxes: VAT	
HU	196	Decrease	Decrease	Exemption of import products (from customs duties and import Other taxes: VAT) from outside the EU to be distributed free of charge to those in need, within certain limits.	Not applicable			Permanent	Other taxes: VAT	
HU	197	Neutral	Neutral	If the local municipality is liable to pay Other taxes: VAT, the assessment period for the Other taxes: VAT return is the calendar year. (The annual tax payment affects a Other taxes: VAT liability of approximately HUF 80-81 billion. The time-proportional part of this could result in a loss of about HUF 60 billion for the budget for March-December, assuming an even distribution within a year in 2020)	Not applicable	06-04-2020	31-12-2021	Temporary	Other taxes: VAT	
HU	198	Decrease	Neutral	The Other taxes: VAT rate of take-away food and drinks has been lowered to 5% (from 18%) from 11 November 2020 until the end of the curfew	Increase equity/fairness	14-11-2020	end of the state of emergency	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
HU	201	Unknown\Not Applicable	Decrease	From 2021 a limited volume of fruit spirits is exempt from excise duty (alcohol production duty).	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Other taxes: indirect taxes	
HU	202	Increase	Neutral	The excise duty rates on tobacco products have been increased in 2 steps (in the case of some other tobacco products in one step, in January)	Improve health	01-01-2021		Permanent	Other taxes: indirect taxes	
HU	203	Decrease	Decrease	Duties on inheritance and gifts will not be charged on transactions between siblings.	Increase equity/fairness	08-07-2020		Permanent	Other measures	
HU	204	Decrease	Decrease	Buying houses or aparments will be exempted from transfer fees on new dwelling purchases within the framework of the family housing subsidy programme.	Encourage consumption	01-01-2021		Permanent	Other taxes: indirect taxes	
HU	207	Unknown\Not Applicable	Unknown\Not Applicable	Holders of a tax warehouse permit can produce disinfectant free of excise duty without denaturing, with a simple notification, in possession of a temporary biocidal product permit. (In the period of state of emergency)	Not applicable	04-04-2020	17-06-2020	Temporary	Other taxes: indirect taxes	
HU	208	Decrease	Decrease	Initial administrative procedures - such as providing suitability certificate for business establishments, to certigy marriage or registered partnership as well as members living in a household and residence status for citizens, etc. - will be exempted from paying any fees.	Simplify the tax system/ increase tax compliance	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
HU	209	New tax	New tax	Introduction of a special retail tax. The tax is base is the net turnover.	Raise revenues	01-05-2020	17-06-2020	Temporary	Other taxes: indirect taxes	
HU	210	Neutral	Decrease	Suspension of tourism development contribution concerning the period from 1 March 2020 to 23 February 2021 (until the end of the state of emergency) and the fiscal impact of the coronvirus pandemic on the revenue from tourism development contribution	Support employment or enhance skills	19-03-2020 18-06-2020 01-01-2021	end of the state of emergency	Temporary	Other taxes: indirect taxes	
HU	211	Decrease	Neutral	Suspension of tourism tax between April 2020 and 23 February 2021 (end of the state of emergency)	Encourage consumption	26-04-2020 01-01-2021 08-02-2021	end of the state of emergency	Temporary	Other taxes: indirect taxes	
IE	229	Neutral	Neutral	Warehousing of tax liabilities - PAYE (employer)		01/08/20	31-12-2022	Temporary	Other taxes: indirect taxes	
IE	230	Neutral	Neutral	The filing deadline for all 2019 employer share scheme returns was extended from 31 March 2020 to 30 June 2020 and the filing deadline for the 2019 ESS1 - Return of Information by the Trustee of an Approved Profit Sharing Scheme was further extended to 31 October 2020.	Simplify the tax system/ increase tax compliance	01/01/20	31.12.2020	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
IE	231	Neutral	Neutral	Suspension of the application of interest on late payment of PAYE (Employers) liabilities for periods February to June 2020 on a concessionary basis. This measure was provided for on a concessionary basis for period from January to June 2020. Legislative provisions were introduced under the Financial Provisions COVID-19 No. 2 Act 2020 which provided that the application of interest on late payments may, in certain circumstances, be suspended for 12 months after the business recommences trade.	Simplify the tax system/ increase tax compliance	13/03/20	The concessionary measure applied to June 2020.	Temporary	Other taxes: indirect taxes	
IE	232	Neutral	Neutral	The 90-day deadline for submission of SARP 1A form has been extended by 60 days.	Simplify the tax system/ increase tax compliance	01/01/20	31.2.2020	Temporary	Other taxes: indirect taxes	
IE	233	Neutral	Neutral	If an employee is required to work from home in the State due to COVID-19, this will not preclude that individual from being entitled to claim Transborder Workers' Relief provided all other conditions attaching to the relief are met.	Simplify the tax system/ increase tax compliance	01/01/20	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	Other taxes: indirect taxes	
IE	234	Neutral	Neutral	Revenue will not strictly enforce the 30-day notification requirement for PAYE dispensations applicable to short term business travellers from countries with	Simplify the tax system/ increase tax compliance	01/01/20	31.12.2020	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				which IE has a double taxation treaty who are going to spend in excess of 60 workdays in the State in a tax year.						
IE	235	Neutral	Neutral	Revenue will not seek to enforce Irish payroll obligations for foreign employers in genuine cases where an employee was working abroad for a foreign entity prior to COVID-19 but relocates temporarily to the State during the COVID-19 period and performs duties for his or her foreign employer while in the State. This measure does not provide any concession regarding the individual's underlying income tax liability or filing obligations.	Simplify the tax system/ increase tax compliance	01/01/20	31.12.2020	Temporary	Other taxes: indirect taxes	
IE	236	Neutral	Neutral	A foreign employer may continue to operate Irish payroll on the basis of a non-resident employee's established work pattern pre-COVID-19 where i) the non-resident employee had been carrying out duties of a foreign employment partially in the State and partially in the foreign jurisdiction prior to COVID-19, but has been unable to return to the foreign jurisdiction as a result of the travel restrictions imposed by COVID-19 and has therefore continued to carry out the duties of their employment in the State, and ii) the foreign employer had applied payroll taxes in the State and the foreign	Simplify the tax system/ increase tax compliance	01/01/20	31.12.2020	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				jurisdiction based on the established work pattern prior to COVID-19.						
IE	237	Neutral	Neutral	Where an employee is working abroad for a foreign employer, under an Irish contract of employment, and there is a PAYE exclusion order in place, the position will not be adversely impacted where the employee works more than 30 days in the State due to COVID-19. This measure does not provide any concession regarding the individual's underlying income tax liability or filing obligations.	Simplify the tax system/ increase tax compliance	01/01/20	31.12.2020	Temporary	Other taxes: indirect taxes	
IE	248	Decrease	Decrease	Reduction in Standard rate of Other taxes: VAT from 23% to 21% on temporary basis from 1 September 2020 to 28 February 2021	Boost economic growth	01/09/20	28/02/2021	Temporary	Other taxes: VAT	
IE	249	Neutral	Neutral	Warehousing of tax liabilities - Other taxes: VAT		01/08/20	31-12-2022	Temporary	Other taxes: VAT	
IE	250	Neutral	Neutral	Suspension of the application of interest on late payment of Other taxes: VAT liabilities. This measure was provided for on a concessionary basis for period from January to June 2020. Legislative provisions were introduced under the Financial Provisions COVID-19 No. 2 Act 2020 which provided that the	Simplify the tax system/ increase tax compliance	13/03/20	The concessionary measure applied to June 2020.	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				application of interest on late payments may, in certain circumstances, be suspended for 12 months after the business recommences trade.						
IE	251	Decrease	Decrease	Reduction of reduced rate of Other taxes: VAT for tourism / hospitality sector on temporary basis from 13.5% to 9%	Boost economic growth	01/11/20	31/12/2021	Temporary	Other taxes: VAT	
IE	252	Unknown\Not Applicable		The deadline for the filing of the annual Other taxes: VAT return of trading details has been moved to 10 March 2021.				Temporary	Other taxes: VAT	
IE	253	Increase	Neutral	Increase in the rate of carbon tax from €26 per tonne of CO2 emission to €33.50 per tonne. The Finance Act 2020 also legislated for a trajectory of annual increases leading to a rate of €100 per tonne by 2030.	Promote environmental sustainability	Increase in respect of auto fuels from 13-10-2020 but other fuels from 1-05-2021		Permanent	Other taxes: indirect taxes	
IE	254	Neutral	Neutral	Where a gifted or inherited business ceases to trade temporarily during the 6-year period after the valuation date for the gift or inheritance, any Business Relief granted will not be clawed back where the temporary cessation of trade arose due to COVID-19 restrictions.	Simplify the tax system/ increase tax compliance	01/01/20	Temporary measure but end date is not yet confirmed. Measure ongoing and will remain under review.	Temporary	Other measures	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
IE	255	Neutral	Neutral	Employment Investment Incentive (EII) is a risk based equity investment scheme. A temporary measure has been introduced in EII to address the difficulty COVID-19 may cause to companies in meeting the criteria necessary to avail of the second tranche of relief they may be entitled to. The measure provides for additional time, up to 31 March 2022, to meet the relevant conditions.	Simplify the tax system/ increase tax compliance	23/03/20	31.03.2021 (subject to review)	Temporary	Other taxes: indirect taxes	
IT	302	Decrease	Neutral	Other taxes: VAT safeguard clauses are abolished. (Other taxes: VAT safeguard clauses were an automatic rise of Other taxes: VAT rates to meet deficit targets, in absence of other measures). Other taxes: VAT rate on some medical equipment is reduced for 2020 (257 million) and 2021 (317 million).		19/05/20	31/12/21	Temporary	Other taxes: VAT	
IT	303	New tax	New tax	The introduction of consumption tax concerning plastic packaging materials has been postponed to 1st July 2021 from 1st January.	Boost economic growth	01/07/21		Permanent	Other taxes: indirect taxes	
IT	304	New tax	New tax	The consumption tax over soft drink introduction has been postponed to 1 january 2022.	Boost economic growth	01/01/22		Permanent	Other taxes: indirect taxes	
IT	311	Neutral	Neutral	Tax and SSC payments for March and April, as well as Other taxes: VAT payments for March, are suspended for all firms in the most affected sectors		17/03/20	30/04/20	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				(tourism, transport, catering, entertainement, sport and education). This suspension also extends to firms in all sectors with revenues under 2 million euros. Independently from this revenue threshold, firms and self employed working in provinces mainly affected by the emergency (namely Bergamo, Cremona, Lodi and Piacenza) will benefit from a suspension of their Other taxes: VAT payments.						
IT	312	Neutral	Neutral	Suspension of Other taxes: VAT, SSC and withheld PIT payments concerning April and May 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros if the 2020 March and April revenues decrease is at least the 33% of the 2019 corresponding month revenues. In case of a revenues level over 50 million euros, the decrease has to be at least the 50% of the 2019 corresponding month.		08/04/20	31/05/20	Temporary	Other taxes: VAT	
IT	316	Neutral	Neutral	Other taxes: VAT and witholding payments due by November 2020 are deferred to March 2021 for tax-payers affected by containment measures introduced in November and December 2020.		25/12/20	31/12/21	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
IT	317	Neutral	Neutral	Suspension of Other taxes: VAT, SSCs and withhold PIT payments due by december 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under 50 million euros in 2019 if the 2020's November revenues decrease is at least the 33% of the 2019's corresponding month revenues. The suspension holds independently by their size for tax-payers operating in the most hitted sectors as well as activities started after Novemebr 2019. Payments are due by March 2021.		25/12/20	31/12/21	Temporary	Other taxes: VAT	
IT	322	Neutral	Neutral	Payments of harbour taxes and fees are suspended up to 31st July 2020 for firms operating in the shipping sector.		17/03/20	31/07/20	Temporary	Other taxes: indirect taxes	
IT	323	Neutral	Neutral	Removing negative tax liability effects as concerns free transfer of medicines used to fight COVID-19, originally aimed at other therapeutic purposes. Before the introduction of the measure the corresponding value was included in business income and was not Other taxes: VAT deductible.		08/04/20		Permanent	Other taxes: VAT	
IT	324	Neutral	Neutral	Payments of stamp duties related to electronic invoices are postponed to 2021.		19/05/20	31/12/20	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
IT	325	Neutral	Neutral	Cutting of non-domestic electricity tariffs for May, June and July in order to bring costs into line with actual consumption; down payments for gas and electricity tariffs are cut by 10% for 2020 and 2021 (overall, 567 million euoros of payments referred to utility tariffs and excise duties are postponed). Payments related to new environmental charges including the introduction of plastic and sugar tax are postponed (200 million in 2020 and 120 million in 2021).		19/05/20	31/12/21	Temporary	Other taxes: indirect taxes	
IT	328	New tax	New tax	Abolition of the regional tax on motor vehicles petrol.	Boost economic growth	01/01/21		Permanent	Other taxes: indirect taxes	
IT	329	New tax	New tax	The money transfer to non EU countries Tax has been abolished	Simplify the tax system/ increase tax compliance	01/01/21		Permanent	Other measures	
LV	333	Neutral	Neutral	The excess Other taxes: VAT is refunded to taxable person within 30 days without accruing them until the end of the tax year;form 01.04.2020 to 31.12.2020	Boost economic growth	22.03.2020	31.12.2020	Temporary	Other taxes: VAT	
LV	334	Neutral	Neutral	The excess Other taxes: VAT is refunded to taxable person within 30 days without accruing them until the end of the tax year; in force as of 1 January 2021	Boost economic growth	01.01.2021		Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
LV	335	Neutral	Increase	Simplification of Other taxes: VAT application rules in the field of e-commerce: from 2021, the scope of application of the special Other taxes: VAT regime will be extended, creating the possibility to register in one Member State and pay Other taxes: VAT for any transactions performed in the e-environment within the framework of the special Other taxes: VAT regime; in addition, from 2021, the Other taxes: VAT exemption for shipments of low value goods in the amount of 22 euros will be abolished.	Raise revenues	01.01.2020		Permanent	Other taxes: VAT	
LV	336	Decrease	Neutral	The reduced 5 percent Other taxes: VAT rate on fresh fruit, berries and vegetables typical of LV will be maintained until 31 December 2023	Increase equity/fairness	01.01.2021	31.12.2023	Temporary	Other taxes: VAT	
LV	337	Increase	Increase	Abolition of excise duty exemptions for natural gas, used for heat supply of covered areas (greenhouses) of agricultural land and natural gas, used for heat supply of industrial poultry holdings (poultry house) and incubators as of 01.05.2020. and introduction of minimum tax rate	Raise revenues	01.05.2020		Permanent	Other taxes: indirect taxes	
LV	338	Decrease	Neutral	Temporary reduction of tax rate on natrual gas used as propellant	Encourage consumption	01.01.2021	31.12.2025.	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
LV	339	Increase	Increase	Increase of natural resources tax rates on waste disposal, air pollution and category C polluting activities and abolition of exemption for CO2 emissions for the use of peat in stationary technological equipment	Promote environmental sustainability	01.01.2021		Permanent	Other taxes: indirect taxes	
LV	340	Decrease	Neutral	Abolish the reduced rates of excise duty on fuel E85 and B100 and abolish the reduced rates of excise duty on fuels containing bioproducts, as well as set a minimum rate of excise duty on biodiesel derived entirely from biomass and on paraffined diesel derived from biomass used as fuel.	Simplify the tax system/ increase tax compliance	01.02.2021.		Permanent	Other taxes: indirect taxes	
LV	341	Increase	Neutral	Slower increase than previously planned of excise duty rates on alcoholic beverages (5% instead of 29.5% on strong alcohol and 5% instead of 10% on other alcoholic drinks) as of 01.03.2020. and further increase of 5% as of 01.03.2021.	Raise revenues	27.02.2020		Permanent	Other taxes: indirect taxes	
LV	342	Increase	Neutral	Slower increase than previously planned of excise duty rate on beer (5% instead of 10%) as of 01.03.2020. and further increase of 5% as of 01.03.2021.	Raise revenues	27.02.2020		Permanent	Other taxes: indirect taxes	
LV	343	Unknown\Not Applicable	Increase	Clarification of the definition of intermediate products (alcoholic beverages), thus decreasing excise duty fraud as of 01.05.2020.	Raise revenues	01.05.2020.		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
LV	344	Increase	Increase	Increase of excise duty rates on all tobacco products and liquids used in e-cigarettes	Raise revenues	01.01.2021		Permanent	Other taxes: indirect taxes	
LV	345	Increase	Increase	As of 1 January 2022, an increased excise duty rate will be applied to non-alcoholic beverages with sugar content from 8 grams per 100 millilitres.	Raise revenues	01.05.2020		Permanent	Other taxes: indirect taxes	
LV	346	Neutral	Neutral	Extension of tax payments up to 3 years on request by the company till 30.12.2020.	Boost economic growth	22.03.2020	30.12.2020	Temporary	Other taxes: indirect taxes	
LV	347	Neutral	Neutral	Extension of tax payments up to 3 years on request by the company till 30.06.2021.	Boost economic growth	23.12.2020	30.06.2021	Temporary	Other taxes: indirect taxes	
LV	351	Increase	Neutral	The Indexation of company car tax rates and determination of a new rate for vehicles with an engine capacity exceeding 3000 cubic centimeters	Promote environmental sustainability	01.01.2021		Permanent	Other taxes: indirect taxes	
LV	352	Increase	Neutral	Changes in Vehicle Operation Tax rates	Promote environmental sustainability	01.01.2021		Permanent	Other taxes: indirect taxes	Low income
LT	360	Neutral	Neutral	Abolishment of pre-existing limitations to the size to refundable Other taxes: VAT immediately	Increase equity/fairness	01/01/21		Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
LT	361	Neutral	Increase	Abolition of import Other taxes: VAT relief for parcels up to 22 EUR	Increase equity/fairness	01/07/21		Permanent	Other taxes: VAT	
LT	362	Decrease	Neutral	Reduced 5% Other taxes: VAT rate introduced for electonical newspapers, magazines and other periodicals excluding publications of erotic and/or violent nature or publications failing to comply with professional ethics, recognised as such by an institution authorised under the law, and products in which paid advertising accounts for more than 4/5 of total area of the publication or in wich music or video content accounts for all or the most of the total area.	Increase equity/fairness	01-01-2021		Permanent	Other taxes: VAT	
LT	363	Decrease	Neutral	Reduced 0 % Other taxes: VAT rate introduced for the supplies of COVID-19 vaccines and in vitro diagnostic medical devices	Improve health	01-01-2021	31-12-2022	Temporary	Other taxes: VAT	
LT	364	Neutral	Neutral	Deferring or arranging the taxes in instalments according to the agreed schedule without interest to be paid. (Note: An interest-free tax loan agreement can be concluded until 30 June 2021 and the instalments are to be paid until 31 December 2022).	Not applicable		30-06-2021	Temporary	Other taxes: indirect taxes	
LT	365	Neutral	Neutral	Stopping the tax arrears recovery actions (Note: the tax arrears recovery actions are stopped until 30 June 2021)	Not applicable		30-06-2021	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				and release from late payment of interest.						
LT	366	Neutral	Neutral	The limitation period for calculating and recalculating the tax is, as a general rule, reduced to 3 years.	Simplify the tax system/ increase tax compliance	01-01-2020		Permanent	Other measures	
LU	374	Neutral	Decrease	Abolition of the current stock option regime and introduction of a participation premium regime: The current tax regime of stock options, regulated through a circular, is abolished, and a new participation premium regime is introduced from 2021 onwards. This new regime allows employees to participate in their company's profits. If the conditions applicable to the regime are fulfilled, the participative premium will benefit from a 50% tax exemption at the level of the employee. At the level of the employer, this participative premium will be tax deductible as operating expenses. The amount of the premium allocated to the employees is limited to 5% of the profits of the financial year preceding the year of the allocation, and the premium may not exceed 25% of the employee's gross ordinary annual remuneration received the same year.	Support employment or enhance skills	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
LU	378	Decrease	Neutral	Exemption with deductibility of Other taxes: VAT paid at the preceding stage in respect of the supply of COVID-19 vaccines, the supply of COVID-19 in vitro diagnostic medical devices and the supply of services closely linked to those vaccines and devices	Not applicable	01-01-2021	31-12-2022	Temporary	Other taxes: VAT	
LU	379	Increase	Neutral	Tax adjustment (cigarettes and fine cut tobacco)	Not applicable	01-02-2020	not applicable	Temporary	Other taxes: indirect taxes	
LU	380	Increase	Neutral	Tax adjustment (fine cut tobacco)	Not applicable	01-02-2021	not applicable	Temporary	Other taxes: indirect taxes	
LU	381	New tax	New tax	CO2 tax on energy products	Promote environmental sustainability	01-01-2021	not applicable	Temporary	Other taxes: indirect taxes	
LU	386			The date for submitting of tax returns is postponed from 31 March 2020 to 30 June 2020 for PIT and CIT tax returns.				Temporary	Other taxes: indirect taxes	
NL	409	Decrease	Neutral	The Other taxes: VAT on outsourcing medical personal and medical supplies was waved, while the Other taxes: VAT rate for face masks and COVID tests and vaccines was lowered.	Improve health	12-03-2020		Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
NL	410	Neutral	Increase	From 2021 the Other taxes: VAT exemption on imported goods below 22 euro from a non-Eucountry to an EU-country is abolished.	Simplify the tax system/ increase tax compliance	01-07-2021		Permanent	Other taxes: VAT	
NL	411	Increase	Neutral	Introduction of more strict CO2 requirements for motor vehicles and an increased tax rate.	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
NL	412	Unknown\Not Applicable	Unknown\Not Applicable	Intoducing an exemption for first time home buyers under 35 in the transfer tax, while restricting the lower rate of 2% by introducing a main residence criterium and increasing the non-residential real estate rate from 7% to 8%.	Increase equity/fairness	01-01-2021		Permanent	Other taxes: indirect taxes	Low income
NL	413	Decrease	Neutral	A decrease of 0.036% of the property tax rate for social housing corporations.	Increase equity/fairness	01-01-2021		Permanent	Other taxes: indirect taxes	
NL	415	Decrease	Neutral	Tax and recovery interest rate is lowered.	Increase equity/fairness	01-01-2020		Permanent	Other taxes: indirect taxes	
PL	458	Decrease	Decrease	Temporary introduction of 0% Other taxes: VAT rate for donations of certain goods related to healthcare (including medicinal and pharmaceutical products, disinfectants, diagnostic tests, certain personal protective equipment - face masks, gloves, protective clothing) to the hospitals dedicated to treat patients	Not applicable	25/03/20	until the epidemic state in PL is cancelled	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				infected with SARS-CoV-2 and The Material Reserves Agency (from 1 February 2020) and from 25 April 2020 also to other health care institutions (including sanitary transport) and social care institutions affected by epidemic (i.a. nursing homes, shelters for homeless) - until the epidemic state in PL is cancelled						
PL	459	Decrease	Decrease	8% rate for disinfectants - From 1 March 2020 until 30 June 2020	Not applicable	25/04/20	30/06/20	Temporary	Other taxes: VAT	
PL	460	Decrease	Decrease	A rate of 0% to supply of imported pharmaceutical products (financed with funds from public collection organized by public benefit organizations) intended to conduct therapies that were originally expected to be carried out abroad - which has become impossible due to the travel restrictions during COVID-19 epidemic	Not applicable	25/04/20	until the epidemic state in PL is cancelled	Temporary	Other taxes: VAT	
PL	461	Decrease	Decrease	Temporaty introduction of 0% Other taxes: VAT rate for donations of computer equipment such as laptops and tablets to educational institutions, certain social care institutions and universities or to educational, charitable or humanitarian organisations which transferred them free of charge to above mentioned institutions - from 22 April until 30 June 2020 and from 1	Not applicable	22.04.2020	Until the epidemic state in PL is cancelled	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				September 2020 until the epidemic state in PL is cancelled						
PL	462	Decrease	Decrease	Temporary introduction of 0% Other taxes: VAT rate for supply, intra-community acquisition and import of COVID-19 vaccines being pharmaceutical products and tests for SARS-CoV-2 and the COVID-19 being in vitro diagnostic medical devices, meeting the conditions specified in the regulation - from 23 December 2020 until 31 December 2022 (implementation of the optional EU Directive).	Not applicable	23/12/20	31/12/22	Temporary	Other taxes: VAT	Low income
PL	463	Neutral	Neutral	Maintain the current level of Other taxes: VAT rates	Not applicable	09/10/20	unitll the statutory coditions are fulfilled	Temporary	Other taxes: VAT	
PL	464	Neutral	Neutral	Introduction of the optional National System of e-Invoicing (KSeF).Taxpayers will be able to issue electronic invoices and submitt them in a standardized format to the KSeF. Under the optional model the recipient will have to express their acceptance for receiving a standardized e-invoice. Businesses will have access to the specific tools offered by the Ministry of Finance enabling issuing the e-invoices and submitting them to the KSeF free of charge.The	Simplify the tax system/ increase tax compliance	01/10/21		Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				standardization and automated book-keeping will reduce administrative burden and costs for businesses.Taxpayers using KSeF will benefit from faster Other taxes: VAT refunds and transfer of funds from the Other taxes: VAT account to the bank (business) account. It is envisaged that the optional KSeF will prepare the ground for smooth implementation of the mandatory KSeF upon EU derogation decision (taxpeyers will have the opportunity to get acquinted with the obligatory e-invoicing).						
PL	465	Unknown\Not Applicable	Unknown\Not Applicable	Temporary tax waiver with regard to excise tax on novel tobacco products and liquid for electronic cigarettes applied from 1 July until 30 September 2020. Excise tax on liquid for electronic cigarettes and novel tobacco products has been imposed on 1 February 2018; however, until 30 June 2020 zero excise tax on these good applied. As of 1 July 2020 novel tobacco products and liquid for electronic cigarettes are taxed with the effective tax rates.See line 41 for details on excise tax on novel tobacco products and liquids used in electronic cigarettes.	Not applicable	01/07/20	30/09/20	Temporary	Other taxes: indirect taxes	
PL	466	Neutral	Neutral	Postponing the entry into force of the Act on retail sales tax	Not applicable	31/03/20	31/12/20	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
PL	467	Unknown\Not Applicable	Unknown\Not Applicable	Postponement of the deadline for submitting national (domestic) MDR information to the Head of the National Revenue Administration. The deadlines do not start or are suspended from March 31, 2020 until 30 days after the end of the epidemic threat and state of the epidemic announced in connection with COVID-19		01/07/20		Temporary	Other taxes: indirect taxes	
PT	476	Decrease	Neutral	Reduced rate of 13% to the supply of electricity in power contracts not exceeding 6,90 kVA, until 100 kWh during a period of 30 days (or, when acquired by large families, 150 kWh during a period of 30 days)		01-12-2020		Permanent	Other taxes: VAT	
PT	477	Neutral	Increase	New rules on e-commerce	Increase equity/fairness	01-07-2021		Permanent	Other taxes: VAT	
PT	478	Neutral	Neutral	Simplification measures in the intra-community trade	Simplify the tax system/ increase tax compliance	01-01-2020		Permanent	Other taxes: VAT	
PT	479	Neutral	Neutral	Reduced rate of 6% on masks and disinfectant gel	Improve health			Permanent	Other taxes: VAT	
PT	480	Decrease	Neutral	Zero rate on the supplies of certain medical equipment	Improve health			Permanent	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
PT	481	Increase	Neutral	Introduction of a 2EUR fee, per passenger, for air and water travel	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
PT	482	Decrease	Neutral	50% tax reduction for alcoholoic drinks produced in Azores and Madeira and consumed in Continental PT	Not applicable	01-01-2021		Permanent	Other taxes: indirect taxes	
PT	483	Neutral	Increase	Uniformization of rules between different types of societies	Increase equity/fairness	01-01-2021		Permanent	Other taxes: indirect taxes	
PT	484	Decrease	Neutral	Motor vehicles imported from the EU have a new table for tax reductions relative to the environmental component.	Increase equity/fairness	01-01-2021		Permanent	Other taxes: indirect taxes	
SK	491	Neutral	Decrease	Correction of the Other taxes: VAT base on the supply of goods or services (EU legislation)	Not applicable	01-01-2021		Permanent	Other taxes: VAT	
SK	492	Neutral	Increase	Abolition of the Other taxes: VAT exemption for shipments up to 22 euros from third countries	Raise revenues	01-01-2021		Permanent	Other taxes: VAT	
SK	493	Decrease	Neutral	Temporary exemptions of respirators FFP2/FFP3 from Other taxes: VAT	Improve health	01-03-2021	30-04-2021	Temporary	Other taxes: VAT	
SK	494	Increase	Neutral	Increasing of tax rates for tobbacco products in the years 2021, 2022 and 2023	Raise revenues	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
SK	495	Decrease	Decrease	Changes in motor vehicle taxation. Retrospective effect on the year t-1	Boost economic growth	01-10-2020		Permanent	Other taxes: indirect taxes	
SI	513	Neutral	Decrease	Temporary exemption of Other taxes: VAT from supplies and the acquisition of protective and medical equipment if the goods are delivered to central or local government or charity organizations.	Improve health	13-04-2020	30/04/21	Temporary	Other taxes: VAT	
SI	514	Neutral	Neutral	The postponment of theOther taxes: VAT payments for up to 24 months or to pay the liability in 24 monthly instalments.	Support employment or enhance skills	28-11-2020	31-03-2021	Temporary	Other taxes: VAT	
SI	515	Decrease	Unknown\Not Applicable	On 1st of January 2021 came into force a new Motor Vehicle Tax Act. The aim of this tax is to reduce the existing taxation of motor vehicles and to automate and speed up the procedures for assessing the motor vehicle tax by made it more digital. The tax base is not anymore the purchase price of the vehicle. The tax is now determined on CO2 emission, fuel consumption, as well as new EURO standards.	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
SI	516	Increase	Unknown\Not Applicable	Increase in minimum excise duty from EUR 114 to EUR 120 per 1 000 cigarettes.	Improve health	01-10-2020		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
ES	532	Decrease	Neutral	Super-reduced Other taxes: VAT rate (4%) applied to digital books, newspapers and magazines	Encourage consumption	23/04/20		Permanent	Other taxes: VAT	
ES	533	Decrease	Neutral	Super-reduced Other taxes: VAT rate (4%) applied to disposable surgical masks	Improve health	19/11/20	31/12/21	Temporary	Other taxes: VAT	
ES	534	Decrease	Neutral	0% Other taxes: VAT rate on the supply, import and intra-Community acquisition of medical equipment by public, non-profit entities and hospitals to combat the effects of COVID-19	Improve health	23/04/20	30/04/21	Temporary	Other taxes: VAT	
ES	535	Decrease	Neutral	0% Other taxes: VAT rate on the supply, import and intra-Community acquisition of medical devices for in vitro SARS-CoV-2 diagnosis; delivery of SARS-CoV-2 EC authorized vaccines, as well as its transport, storage and distribution	Improve health	24/12/20	31/12/22	Temporary	Other taxes: VAT	
ES	536	Increase	Neutral	Other taxes: VAT rate raised to 21% (from 10%) for sugar-sweetened drinks, except for baby milk beverages deemed food supplement for special dietary needs.	Improve health	01/01/21		Permanent	Other taxes: VAT	
ES	537			Other taxes: VAT registered businesses with a turnover below €600,000 per annum in 2019 can delay filing and payments of their Other taxes: VAT Q1 or monthly submissions until 20 May 2020. Unlike earlier measures, businesses do not need to apply for this postponement.				Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
ES	539	Increase	Neutral	Tax on Insurance Premiums rate increased to 8% (from 6%)	Raise revenues	01/01/21		Permanent	Other taxes: indirect taxes	
SE	561	Neutral	Neutral	Other taxes: VAT reverse charge on supplies of mobile telephones and certain other electronic devices	Simplify the tax system/ increase tax compliance	01-04-2021		Permanent	Other taxes: VAT	
SE	562	Increase	Neutral	Higher energy tax on certain use of electricity	Not applicable	01-01-2021		Permanent	Other taxes: indirect taxes	
SE	563	Increase	Neutral	Abolished tax exemptions for certain renewables in heat generation	Not applicable	01-01-2021		Permanent	Other taxes: indirect taxes	
SE	564	Decrease	Neutral	Changed requirements for tax exemption of biogas and introduced exemption for biopropane as a heating fuel	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
SE	565	Increase	Neutral	Abolished reduction of energy tax for heating fuels in industry	Promote environmental sustainability	01-07-2021		Permanent	Other taxes: indirect taxes	
SE	566	Increase	Neutral	Abolished reduction of energy tax in agriculture, forestry and aquaculture	Promote environmental sustainability	01-07-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
SE	567	Decrease	Neutral	Adjusted exemption from energy tax on electrcity tax for e.g. solar power and lower energy tax through higher capacity limits for own production of renewable electricity	Promote environmental sustainability	01-07-2021		Permanent	Other taxes: indirect taxes	
SE	568	Decrease	Neutral	Paused GDP indexation of petrol and diesel	Not applicable	01-01-2021		Permanent	Other taxes: indirect taxes	
SE	569	Neutral	Increase	Congestion tax in the Marieholm Tunnel	Promote environmental sustainability	01-01-2021		Permanent	Other taxes: indirect taxes	
SE	570	Increase	Neutral	Enhanced and simplified environmental governance in the bonus-malus system for new light vehicles	Promote environmental sustainability	01-04-2021		Permanent	Other taxes: indirect taxes	
SE	571	Neutral	Increase	Taxation of foreign sellers for the chemical tax	Increase equity/fairness	01-10-2020		Permanent	Other taxes: indirect taxes	
SE	572	Neutral	Increase	Taxation of other tobacco products	Simplify the tax system/ increase tax compliance	01-07-2021		Permanent	Other taxes: indirect taxes	
SE	573	Increase	Increase	Taxation of e-liquids with high nicotine strength	Improve health	01-01-2021		Permanent	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
SE	574	Increase	Neutral	Increased tax on alcoholic beverages	Improve health	01-01-2023		Permanent	Other taxes: indirect taxes	
SE	575	Increase	Neutral	Increased tax on tobacco products	Improve health	01-01-2023		Permanent	Other taxes: indirect taxes	
SE	576			Tax on hazardous chemicals in clothing and footwear		01-08-2021		Permanent	Other taxes: indirect taxes	
SE	577			Changes tax regulation for food benefit in certain cases (EÄB6 och EÄB11)	Not applicable			Permanent	Other taxes: indirect taxes	
BG	581	Decrease	Neutral	Exemption with deductibility of Other taxes: VAT paid at the preceding stage in respect of the supply and Intra-Community acquisitions of COVID-19 vaccines and in vitro diagnostic medical devices. Such an exemption applies also to the services closely linked to such vaccines and devices.	Improve health	01/01/21	31/12/22	Temporary	Other taxes: VAT	
BG	582	Decrease	Neutral	Pursuant to Commission's Decision 2020/491, Council Decree № 75 of 2007 of the Council of Ministers of Republic of BG allowed for exemption from Other taxes: VAT and customs duties of the importation of certain medical goods necessary to combat the	Improve health	30/01/20	30/04/21	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				effects of the COVID-19 pandemic outbreak. The relief applied to importations made from 30 January 2020 to 30 April 2021. Eligible for the relief and exemption of Other taxes: VAT were the goods imported by State organisations. The goods and organisations are exhaustively listed in annexes to Council Decree № 75.						
BG	583	Decrease	Neutral	Reduction the Other taxes: VAT tax rate from 20% to 9% for the supply of restaurant and catering services (excluding spirits), books, food suitable for babies or young children, baby diapers and similar baby hygiene products, certain touristic services and the use of sport facilities.	Boost economic growth	07/01/20	31/12/21	Temporary	Other taxes: VAT	
HR	594	Unknown\Not Applicable	Decrease	Other taxes: VAT on goods imported by the 31st December shall be deemed to be paid on import.	Raise revenues	19/09/20	31/12/20	Temporary	Other taxes: VAT	
HR	595	Unknown\Not Applicable	Unknown\Not Applicable	Taxpayers entered in the register of value added taxpayers are exempt from paying value added tax on supplies of goods and services, made without compensation or countermeasures, for areas for which a disaster has been declared.	Encourage consumption	09/01/21	By the end of 2021	Temporary	Other taxes: VAT	
HR	596	Neutral	Neutral	Other taxes: VAT registered businesses with annual revenue below HRK 7.5 million can defer the payment of Other taxes: VAT for a period for 3 months, with a possible extension for an	Not applicable	24/03/20	20/06/20	Temporary	Other taxes: VAT	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
				additional 3 months. Taxpayers are required to file their tax return on time.						
HR	597	Neutral	Neutral	Other taxes: VAT registered businesses with annual turnover below HRK 7.5m can delay their Value Added Tax liabilities due in April out to July. There will be no penalties or late interest charges. But returns must still be filed on time, the 20th of the month or quarter after the reporting period. A further 3-month to October can also be requested. It will then be possible to negotiate payment schedules for the missed Other taxes: VAT for up to two years ahead. Any postponement must be first applied for.				Temporary	Other taxes: VAT	
HR	598	Neutral	Neutral	Businesses may apply for a deferal of payments for businesses with a drop of 20% or more of revenue. This will apply for March returns due on the 30 April; and the April return due by 31 May				Temporary	Other taxes: VAT	
HR	599	Unknown\Not Applicable	Unknown\Not Applicable	The deadline by which the representative body of a local government unit may temporarily repeal the provisions on consumption tax and / or tax on the use of public areas for certain months in 2021 or the entire year has been extended until 31.1.2021. (deadline is 15.12.2020.)	Not applicable	24/12/21	31/01/21	Temporary	Other taxes: indirect taxes	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
RO	603			VAT payers who import medicines, protective equipment, other medical devices or medical equipment and supplies that can be used to prevent, limit, treat and combat COVID-19 will be exempted from payment of VAT in customs. The exemption applies for the entire period of state of emergency and for 30 days following it.		3/4/2020	Until the end of the state of emergency	Temporary	Other taxes: VAT	
RO	604			Postponement of the deadline for submission of all tax returns from 25/03 to 25/04		21/3/2020	25/4/2020	Temporary	Other taxes: indirect taxes	
CY	606			All licensed banks in CY are ordered to suspend the collection of loan installments, including interest, until the end of the year, subject to the borrower submitting a written request to this end and no default amounts to have existed, on the relevant loans, over 30 days past due as at 29 February 2020.		28/3/2020	31/12/2020	Temporary	Other taxes: indirect taxes	
CY	607			Temporary deferral of VAT payments for certain businesses		16/3/2020	31/1/2021	Temporary	Other taxes: VAT	
CY	608			Temporary reduction from 9% to 5% VAT rate for certain hospitality and travel services		16/7/2020	10/1/2021	Temporary	Other taxes: VAT	
CY	609			Grants to cover rents, instalments or other operating expenses of businesses and self-employed		16/3/2020	extended until Jun. 2021	Temporary	Other measures	

Country	ID	Tax rate	Tax base	Description of tax measure	Main objectives	Entry into force	End date	Nature	Type of tax	Target
MT	610			A reduction in VAT rates from 18% to 5% was implemented on various goods and services to stimulate consumption and provide relief to affected businesses. This includes restaurant and catering services, hotels and accommodation, and cultural events.		1/7/2020	31/12/2021	Temporary	Other taxes: VAT	

This research paper provides a comprehensive analysis of the impact of national tax measures implemented in response to the COVID-19 pandemic, with the aim of ensuring an appropriate assessment and providing policy recommendations to effectively address future crisis.

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