

COVID-19 | Tax updates for SMEs and the self-employed in Spain

Royal Decree 7/2020 of 12 March adopting urgent measures to combat the economic impact of COVID-19 ([full version here](#)) aimed at providing support in the financing of SMEs and the self-employed, among others, was published on 13 March 2020.

Tax measures. Objective scope

The Decree affords certain flexibility when it comes to deferrals. Any tax-related charges corresponding to all declarations/settlements and self-assessments due to be submitted and paid by 13 March can be deferred until 30 May 2020.

This measure will apply to quarterly declarations relating to Q1, as well as monthly declarations corresponding to February, March and April.

Moreover, the above extends to the following charges, the deferral or payment by instalment of which is not usually permitted: (i) withholdings or partial payments; (ii) Corporate Tax payment by instalments; and (iii) charges relating to taxes collected by law (e.g. VAT).

Subjective scope

SMEs and the self-employed will be able to benefit from this measure (i.e. natural or legal persons with turnover of less than EUR 6,010,121.04 in 2019).

Deferral conditions

- Six-month term; and
- Late payment interest will not be charged for the first three months.

Please be reminded that the maximum combined amount of deferrable tax owed without the need for a guarantee is EUR 30,000.

Application procedure

The State Tax Authority has published provisional instructions on its website ([found here](#)).

We will continue to monitor the situation and keep you informed of any new tax-related measures expected to be passed in light of this extraordinary turn of events we are facing.

The Tax department.
CMS Spain