

TC TAX NEWS

Government measures to assist business facing COVID-19 Social aspects

The Belgian Authorities have recently taken specific measures to enable companies to overcome the financial difficulties that would be encountered as a result of the spread of the Coronavirus.

1. Social security and companies

The National Social Security Office grants payment delays to employers facing financial difficulties due to the coronavirus crisis. These payment plans cover the 1st and 2nd quarter of 2020. These plans must be applied for online. The answer of the NSSO will be notified within 10 days.

2. Self-employed workers

Similarly, the National Institute for the Social Security of the Self-employed (NISSE) has also set up certain measures to help self-employed persons who are experiencing financial difficulties as a result of the coronavirus:

- **Deferral of payment of social security contributions and waiving of surcharges**

On written request to their social insurance fund, self-employed persons may request a one-year deferral of the payment of provisional social security contributions, without taking into account any surcharge. This written request may be submitted until 15 June 2020.

- **Reduction of provisional social contributions**

A reduction in provisional social security contributions may be requested by the self-employed person in financial difficulties, in case its professional income is below the legal thresholds.

- **Exemption from social security contributions**

An exemption (total or partial) from social security contributions may be requested by workers who are unable to pay their social security contributions due to the consequences of the coronavirus.

- **« Bridging right »**

Self-employed workers, who consider it necessary to interrupt or cease their self-employed activity because of the coronavirus, will be able - under certain conditions - to make use of the « bridging right » which allows the payment of social security contributions to be stopped, while retaining a number of rights.

3. Temporary unemployment

Depending on the company's situation, there are two types of temporary unemployment that employers could request:

- Temporary unemployment due to force majeure (when a sudden, unforeseeable event—beyond the control of the parties - makes the execution of the contract temporarily and totally impossible);
- Temporary unemployment for economic reasons (when an employer is unable to provide work for his workers due to a substantial decrease in turnover).

Temporary unemployment due to force majeure may apply:

- workers and employees (in the private and public sectors);
- temporary workers;
- apprentices.

But it does not apply :

- statutory agents in the public sector;
- students.

The formalities will be different depending on whether temporary unemployment is used for force majeure or for economic reasons. In both cases, employees will be able to receive an increased allowance from the National Employment Office until 30 June 2020.

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