



## COVID-19 WATCH ETUC BRIEFING NOTE

**HOUSEHOLD RELIEF**  
26 MARCH 2020

### **National measures to support households by providing different (tax) relief measures**

Workers who just a couple of weeks ago were struggling but getting by are now worried about how they will pay their bills. Some Member States have looked to include tax relief measures as part of their response. Although most of the tax or social security relief measures are directed in first instance to companies and/or self-employed, several countries have also adopted (or are considering to adopt) specific relief measures for individuals in particular for workers who have lost their employment or who are on temporary (partial) unemployment or in short-term working arrangements and can thus not benefit from their normal full income.

This is often done in the form of relieving households from paying (temporarily) energy/utilities costs (water, gas, electricity) or paying (temporary) mortgage loans or extending the deadlines for paying (income) taxes.

One note of caution, this briefing note captures a dynamic situation which is subject to ongoing change. We therefore kindly ask affiliates to provide us with further information on COVID 19-related measures that have been introduced in your country so that we can update this briefing note.

Some examples include:

#### Belgium

- Payment of energy bill (gas/water/electricity) for one month by the Flemish government for workers on temporary unemployment
- The deadline for payment of income taxes has been prolonged by two months
- The Flemish government also encourages local authorities (cities/communes) to review all local taxes and consider how these can be temporarily suspended to alleviate the financial burden of their citizens/inhabitants.
- By Decree of 17 March, the Walloon government decided that people with a budget meter for energy utilities will no longer need to top up their cards while the containment measures are in effect. No new budget meter will be installed during this period and there will be no power or gas outages.
- On 22 March the Federal government with the support of the National Bank and the financial sector decided on some additional measures for companies, self-employed and citizens. On the one hand, the financial sector commits to all viable companies and the self-employed (who were viable before the outbreak of the corona crisis) to shut down all payments, due dates, interest payments and more from today until September 30. Those who have loans and financial obligations will no longer have to make payments in this way. This also applies to people with a mortgage loan. Families who can demonstrate that they have had a financial impact from corona (for example, through temporary unemployment) can ask the bank not to make payment until



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September 30. The total amount of the guarantees is a maximum of 50 billion euros, which corresponds to 10 percent of GNP.

### Denmark

- The government and all political parties agreed that some pupils in upper secondary education and students in tertiary education will lose their jobs and thereby lose part of their income due to COVID-19 will be allowed to take out additional student loans up to DKK 6,388 per month in addition to the existing grant and loan opportunities. This means that an additional 2 months' loans can be obtained every month. As a point of departure, this right applies in March and April 2020. It will be prolonged if the situation so requires. This opportunity will be provided via the digital application systems as soon as possible.

### Bulgaria

- The Government changed and postponed the deadlines for annual financial closure of social security payments and personal income tax payments, submitting and payment of annual taxes of individuals, according to the duration of the state of emergency. To postpone the period for payment of the annual profit tax for companies and individuals, according to the financial status of the companies.

### France

- The Emergency law to address the Covid-19 pandemic, passed on 22 March, allows the government to enact measures, in the three months following the law's publication in France's official journal, in order to limit the termination of employment contracts and to soften the impact of the decline in business volumes. The law allows government to relax, by decree, the conditions regarding the exceptional 'purchasing power bonus', which is a bonus firstly introduced during the 'yellow vest crisis' (*'gilets jaunes'* at the end of 2018 intended to increase the purchasing power of employees, This will enable companies to pay this bonus even without having a collective agreement on profit-sharing. The deadline for payment of the bonus, currently set at 30 June 2020, is to be extended.

### Greece

- Government decided on 18 March that for all those in quarantine and self-isolation, tax payments will be suspended for four months

### Italy

- The "*Cura Italia*" (Cure/Healing Italy) Decree of 16 March 2020 includes measures to postpone most of the fiscal deadlines.



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- A “loan solidarity fund” is put in place to provide resources for the suspension of the instalments due for the purchase of a first home by citizens that later lost their job. The new provisions make that fund available also to those self-employed workers and professionals that declare to have lost, in the three months following 21 February 2020, more than 33% of their turnover compared to the last three months of 2019. Applicants have to declare that the loss has been the consequence of the closing or resizing of their business due to the restrictions approved by the government to respond the corona virus health crisis.

### Latvia

- The Cabinet of Ministers of Latvia endorsed on 19 March the Finance Ministry's bill on measures for overcoming the crisis caused by the coronavirus Covid-19, and its effect on businesses, which encompasses a comprehensive set of state support measures, including that personal income taxpayers will be allowed not to make advance tax payments for 2020.

### Romania

- For the persons in isolation / quarantine, the payment of the utility bills and the suspension for 3 months of their monthly loan payments to banks will be ensured. Also, the budgets of the city halls will be supplemented by transfers from the state budget to ensure a minimum basket of food for those in isolation at home.

### Spain

- A suspension for first-home mortgage payments is foreseen for workers losing their jobs, or affected by temporary reductions in employment, and for those self-employed workers suffering intense drops in earnings. In addition, the supply of utilities (water, electricity, and gas) will be guaranteed for vulnerable households. Also the validity of social vouchers for energy provision has been extended until September.

### UK

- According to measures announced on 17 March by appointed the UK Chancellor of the Exchequer, individuals struggling with lack of finance will be exempt from property loan repayments for three months.

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