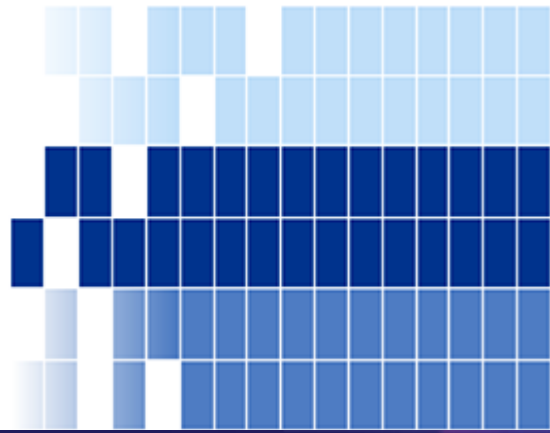




Tax News

KPMG in Bulgaria



Working in times of COVID-19

Deferral of time limits for disclosing cross-border tax arrangements and provision of financial information by reporting financial institutions

August 2020

Amendment of the deadlines concerning the rules for automatic exchange of information on reportable cross-border tax arrangements

Amendment to the deadlines concerning the provision of financial information by reporting financial institutions with regard to fiscal year 2019

How can we help?

The Act for Amendment and Supplement of the Gambling Act, promulgated in the State Gazette, issue No 69 on 4 August 2020 introduced amendments in the Tax and Social Security Procedure Code providing for a deferral by six months of the deadlines for filing of information with regard to reportable cross-border tax arrangements. Also, the time limit for provision of financial information for fiscal year 2019 by reporting financial institutions is deferred.

Due to the COVID-19 pandemic, by the means of Council Directive (EU) 2020/876 of 24 June 2020 amending Directive 2011/16/EU, an option was provided to the Member States for deferral of the time limits for reporting and exchanging of information in the field of taxation.

Amendment of the deadlines concerning the rules for automatic exchange of information on reportable cross-border tax arrangements

With the promulgated amendments, the time limits for filing of information on reportable cross-border tax arrangements by consultants and/ or relevant taxpayers have been changed as follows:

- By 28 February 2020 information on reportable cross-border tax arrangement, the first step of which was implemented in the period between 25 June 2018 and 30 June 2020 shall be disclosed.
- On 1 January 2021 shall begin the 30-day period for disclosure of information on reportable cross-border tax arrangements that were

made available for implementation, or were ready for implementation, or where the first step of their implementation has been made in the period between 1 July 2020 and 31 December 2020. Where the reportable cross-border tax arrangement represents a marketable arrangement, the deadline for reporting is 30 April 2021.

- On 1 January 2021 also starts the 30-day period for filing of information by consultants, who have undertaken to provide aid, assistance or consultation with respect to designing, marketing, organizing, making available for implementation or managing the implementation of a reportable cross-border tax arrangement in the period between 1 July 2020 and 31 December 2020.

Deferral by six months of the time limit for the first exchange of information between the competent authorities of the Member States is also introduced. Thus, the Executive Director of the National Revenue Agency shall exchange the initially received information regarding reportable cross-border tax arrangements by 30 April 2021.



Amendment to the deadlines concerning the provision of financial information by reporting financial institutions with regard to fiscal year 2019

In relation to the automatic exchange of financial information for fiscal year 2019, reporting financial institutions shall file the required information to the Executive Director of the National Revenue Agency by 30 September 2020. The information thus received shall be exchanged with the competent authorities of the participating jurisdictions by 31 December 2020.



How can we help?

The team of KPMG remains at your disposal for any inquiries or need of assistance.



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