

Benefit from tax relief during COVID-19

May 2020

From one day to the next, business-as-usual for your company became business-most-unusual. You're probably reading this from your home, looking at your balance sheets and wondering how your company can stem the flow of your expenses in light of an overnight cliff-drop in sales and income.

The Swiss Federation and many Cantons have decided on various payment relief measures for companies and your people – and our tax and payroll teams can help you see that your glass remains half full.

An emergency response plan that covers three buckets to help you address and manage liquidity

	Deferral of payment for Corporate and Indirect Taxes	Temporary waivers of late payment interest	Loosen the valve to allow for cash income
Tax 	<ul style="list-style-type: none"> • Corporate income and capital taxes • Value-added tax (VAT) payments • Customs 	<ul style="list-style-type: none"> • Corporate taxes on federal level and to some extent also on cantonal level • Indirect taxes • Customs and excise duties 	<ul style="list-style-type: none"> • Claim early payment of VAT input tax credits • Claim early payment of income tax credits (where applicable)
HR & payroll 	<ul style="list-style-type: none"> • Salary forecasts and employee workload review • Personnel expenses review • Social security (AHV/AVS) installments 	<ul style="list-style-type: none"> • Defer payment of social security contributions 	<ul style="list-style-type: none"> • Claim short-time work benefits • Bank loans for SMEs

How can we help?



Quell the outflow of your corporate and indirect tax monies

- **Pause provisional tax bill payments and extend tax payment deadlines**, by
 - Adjusting your payments on account
 - Requesting extensions for various taxes and contributions
- **Break up tax payments** into more favorable installments
- **Request early VAT credit payments**, for an influx of business emergency relief funds
- **Prepare tax remission requests** for you, to alleviate unnecessary outflows
- **Expand your options** through tax implication assessments, so you understand the impact on your liquidity when you undertake certain business actions, such as:
 - Obtaining, granting, or waiving loans
 - Sale-and-lease-back, factoring, etc.
 - Reviewing, changing and terminating contracts
- **Benefit from tax measures granted abroad**, by coordinating with foreign jurisdictions through the KPMG network.



Balance short-term payroll expenses with cash-flow easing

- **Keep up with payroll requirements** with expert advice, a back-up plan and assistance
 - Overtime and workload review
- **Benefit from and stay compliant with important regulatory** changes designed to keep SMEs and corporations in business during these extraordinary times, such as
 - Unemployment benefits or partial unemployment benefits (reduced working hours)
- **Defer payment of social security** installments
- **Calculate and understand your exceptional administrative costs** to qualify for the right bank loans

Your benefits



Slow down – or stop – the outflow of your liquid assets



Identify opportunities to get much-needed cash infusions, through tax credits, credit advances, and/or bank loans



Gain confidence in your decision making in times of crisis



Hold on to your cash and liquid assets for more business stability



Set you up for the longer term

Find additional KPMG COVID-19 resources here

<https://home.kpmg/ch/en/home/insights/2020/03/coronavirus-business-continuity-plan.html>

<https://home.kpmg/ch/en/home/insights/2020/04/coronavirus-tax-developments.html>

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