

GMS Flash Alert

2020-174 | April 15, 2020



Argentina - COVID-19: Fiscal Relief for Companies

An emergency assistance program has been established to provide relief for employers whose businesses have suffered due to the coronavirus pandemic in Argentina. On 1 April 2020, Argentina's government published Decree 332/2020 which provides for the creation of an emergency assistance program for jobs and production.¹

Employers that consider themselves eligible have through 16 April to apply to the program on the AFIP [website](#).

WHY THIS MATTERS

The emergency assistance benefits the government is making available are expected to help relieve businesses dealing with considerable financial and economic distress due to the negative economic impact that the quarantine is having.

Highlights of Benefits Available

Some of the key benefits are noted below:

- Postponement of the payment of employer contributions to the Argentine Integrated Social Security System (SIPA).
- A reduction of up to 95 percent of the payment of employer contributions for the SIPA.
- Part of employee wages to be covered by the National Social Security Administration (ANSeS).

Among the requirements that must be satisfied to have access to these benefits, there must be evidence of:

- economic activities that have been "critically affected,"
- a significant percentage of employees who cannot provide services, and

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- a substantial reduction in sales after 20 March 2020.

KPMG NOTE

The Argentine government has committed to providing additional measures and guidance as the situation for the economy and society further evolves. Additionally, the government appears intent on open dialogue and achieving a better understanding of the situation individuals and employers are facing in order to appropriately tailor further measures and guidance going forward.

If employers have any questions or concerns about how the new measures might affect them and if they are eligible to access the new benefits, they may wish to contact their professional services advisers or a member of the KPMG team in Argentina (see the Contact Us section).

FOOTNOTE:

1 See the Decree 332/2020 (*Programa de Asistencia de Emergencia al Trabajo y la Producción – Decreto 332/2020*) at: <http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/336003/norma.htm> .

For additional information (in Spanish), see: <https://www.argentina.gob.ar/noticias/el-programa-de-asistencia-de-emergencia-al-trabajo-y-la-produccion-ya-cuenta-con-mas-de-310> .

Read an April 2020 report (“Government and Institution Measures in Response to COVID-19”) prepared by the KPMG International member firm in Argentina at the following link: <https://home.kpmg/content/dam/kpmg/us/pdf/2020/04/tnf-latam-covid19-summary.pdf> .

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Contact us

For additional information or assistance, please contact your local GMS or People Services professional or one of the following professionals with the KPMG International member firm in the Argentina:



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