

## **ASSISTANCE TO COMPANIES & SELF-EMPLOYED**

(14/03/2020)

### **Measure 1**

Government will be giving **companies and the self-employed** a breathing space by granting a **two month extension until the end of April** in paying the following taxes for the months of March and April:

- Provisional tax
- VAT
- National Insurance and Employee Income Tax of company employees and self-employed.

When one adds the Employee Income Tax and the National Insurance delayed payments together, this is equivalent to a 35% saving to companies and self-employed. This is like saying that Government is carrying the burden of one in every three workers for the next three months.

When one adds the delayed payments of VAT and Provisional Tax that accounts for 50% of turnover which means that Government will be giving support equivalent to a loss of 50% of companies' business.

**Companies and self-employed still need to submit the necessary forms and returns to qualify for this benefit.**

**This assistance is especially earmarked for companies and individuals in TOURISM, HOSPITALITY, THE ENTERTAINMENT SECTOR, TRANSPORT AND MANUFACTURING. It is aimed to safeguard 100,000 jobs.**

**ASSISTANCE IS GIVEN SUBJECT TO NO EMPLOYEES BEING TERMINATED.**

THIS SCHEME IS ADMINISTERED BY MALTA ENTERPRISE. GUIDELINES ON HOW TO APPLY WILL BE ISSUED IN DUE COURSE.

### **Measure 2**

Government is also announcing measures to incentivize those companies which have recently invested in systems aimed at allowing their employees to work from home. Such decisions have a strong sense of civic responsibility and assist in the containment of the virus.

**Government is introducing a Euro 2 million scheme to refund expenses undertaken by companies to introduce teleworking systems. This scheme will grant Euro 4,000 to every company which has carried out this investment since 1st March 2020. Applications under this Scheme are open until 30<sup>th</sup> March 2020.**

Such a measure can also lead to a long-term change of mentality regarding telework. It can lead to traffic reductions, improve employee competitiveness and assist the IT sector in the Maltese Islands.

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**GOVERNMENT WILL CONTINUE CONSULTING WITH INDUSTRY TO DEVISE ADDITIONAL SUPPORT MEASURES IN RESPONSE TO THE CRISIS IN THE DAYS TO COME.**