



TAX:WATCH

The general help packages are reintroduced

A large part of the country is now subject to further restrictions, and this means that a political agreement has been entered into to reopen the general aid packages from Spring for all companies in Denmark.

By Tanya Honoré Schultz, tas@bdo.dk

It applies that the compensation schemes run from and including 9 December 2020 for the companies located in the 38 municipalities, which were partially closed down per this date.

For other companies, compensation schemes run from 11 December 2020.

The following is based on the political agreements published on December 10, 2020. The agreements must be approved by the EU before we know the final possibilities and conditions for compensation, and the Danish Business Authority can open for applications.

The below mentioned compensation schemes will also cover the lockdown over Christmas.

Salary compensation

The general salary compensation scheme from last spring will be reintroduced throughout the country, at the same time as the scheme for companies that are prohibited from staying open also continues to apply.

The compensation will amount to 75 % of the salary cost for employees on salaried employees' terms and 90 % of the salary for non-salaried employees.

In both cases, there will be a ceiling of DKK 30,000 per month per full-time employee.

We expect that the guidelines and interpretations that applied in the original scheme will also apply to this compensation period.

The general salary compensation scheme will apply until the restrictions end, which is currently 3 January 2021.

For compulsorily closed companies, the salary compensation scheme can be applied as long as the company is forcibly closed. The compensation must be applied for on Virk.dk.

Fixed costs and loss of turnover for the self-employed

The general compensation schemes for fixed costs and for loss of turnover for the self-employed from Spring will be reintroduced throughout the country.

This means that the compensation scheme for fixed costs and the compensation scheme for the self-employed, etc. will be reopened.

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CONTENT

- The general help packages are reintroduced
- New year - new tax:watch in 2021

The requirement for participating in the schemes is a reduction in turnover of 30 %.

The aid packages will be open to the whole country and thus not only to those municipalities where there are stricter restrictions right now.

We expect that the guidelines and interpretations that applied in the original schemes will also apply to this compensation period.

The general compensation schemes for fixed costs as well as loss of turnover for the self-employed will apply until the restrictions cease, which are currently 3 January 2021.

For foreclosed companies, the salary compensation scheme can be used as long as the company is forcibly closed.

The compensation must be applied for on Virk.dk, where guidance and executive orders will also be available.

New year - new tax:watch in 2021

Stay tuned! tax:watch gets bigger and relaunches in 2021 with more and new content every month for the followers.

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BDO Denmark are happy to announce, that tax:watch will be back in 2021, but this time as an extended newsletter including Tax, Customs, VAT and selected corporate and employment law issues.

tax:watch is expanding and BDO Denmark want to focus on our international audience, thus the relaunching of tax:watch will provide more insight into the latest news in Denmark across legal areas and industries.

The relaunching of tax:watch will provide you with new developments, which are relevant to know when doing business in Denmark, focusing in particular on requirements and regulation within Tax and VAT, and providing more content concerning corporate taxation, consequences of Brexit, etc.

Furthermore, tax:watch will provide more insight on employment law , including updates on employee taxation, employment law and the Danish Holiday Act, which enables international companies with employees in Denmark to stay compliant with Danish legislation.

We in BDO Denmark are looking forward to 2021 and the relaunch of tax:Watch, and we hope that you will keep following and support tax:watch in the new year.

BDO wishes you all a merry Christmas and a happy new year!

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