

## **COVID-19 - Tax Relief**

### **Individual Taxes and Labor measures**

#### **Benefits in relation to social security contributions for certain taxpayers:**

A bill was approved at parliament, which determines benefits for payers of the single tax, Monotributo in Spanish, sole proprietorships and other entities such as partnerships, limited liability companies and corporations with up to ten employees whose contribution regime is under the category of Industry and Commerce at the Tax Administration. This tax relief will be applicable to taxes generated between March 1 and April 30, 2020.

Following are the benefits provided for in the aforementioned bill:

- The exemption of 40% of the amount corresponding to personal and employer social security contributions under the category of Industry and Commerce of the Tax Administration. Also the contribution of the owners of sole proprietorships and members of partnerships, limited liability companies and corporations, provided that these entities have not had more than ten dependent employees in the month of March 2020.
- The exemption of 40% of the Monotributo (the simplified and unified single-tax for those carrying out business activities of reduced dimension such as street vendors and small shops).
- The exemption of 40% of the Monotributo Social MIDES (a single tax paid by socially vulnerable households or those under the poverty line, which commercialize or manufacture any kind of product or provide any kind of service).
- The remaining 60% of the aforementioned contributions for those included under the exemptions will be paid in 6 consecutive installments starting in June this year.