

Changes in taxation and reporting deadlines, further reliefs - 2020

(Government Decree 140/2020. (April 21.))

Deadline of submission of the statutory financial statements prepared according to the Hungarian Law on Accounting is postponed to September 30, in the cases when the original deadline fell into the period between April 22 and September 30. **This cannot be applied for public-interest entities** (e.g. the ones listed on stock exchanges, banks, insurance companies etc.).

The decree **extends taxation deadlines** (tax assessment, tax return submission, payment and tax advance assessment and return submission) **to September 30., 2020**, in the cases when the original deadline fell into the period between April 22 and September 30 – regarding the following taxes:

- **corporate income tax**
- **small entrepreneurship tax (KIVA)**
- **income tax of power supply entities**
- **local business tax**
- **innovation contribution.**

If no tax advance return has been submitted yet according to the original rules, **tax advances shall be paid till September 30, 2020 based on the latest tax advance return** (similar amounts and regularity). Reduction of the amount of tax advance may be requested before its due date, if according to the assessment of the taxpayer the annual 2020 tax amount is lower than the amount of tax advances.

The “reliable qualification” of the taxpayer cannot be cancelled due to violence of taxation liabilities or enforcement proceedings **during the emergency status period and the subsequent 30 days.**

If there is **tax payment trouble** at the taxpayer due to the emergency situation, then a request may be submitted for a **maximum six months postponement or a maximum twelve months of instalment payment.** This can be requested freely only once, for a **maximum of HUF 5 million of tax.**

In the case **tax payment would risk continuing business**, a **20% (maximum HUF 5 million) reduction of tax liability** may be requested **for one type of tax** latest on the 30th day after the end of emergency status period. Facilitations included in previous paragraph cannot be used in such case.