

8TH APRIL 2020

COVID 19 PERIODIC VALUE ADDED TAX (VAT) DECLARATION

Order no. 129/2020-XXII, of 27th March, of the Secretary of State for Tax Affairs has determined **mechanisms for simplifying the determination and sending of the periodic declaration of Value Added Tax**, provided for in paragraph c) of no. 1 of article 29 of the Value Added Tax Code (CIVA), to be sent within the legal deadline defined in no. 1 of article 41 of the CIVA.

It follows from that order that:

1. The taxable persons who:
 - (i) Secure a turnover, in accordance with Article 42 of the CIVA, for the year 2019, of up to €10,000,000.00; or
 - (ii) have entered business on or after 1st January 2020; or
 - (iii) have resumed business operations on or after 1st January 2020 and have not had a turnover in 2019 (if so, (i) above is applicable),
may submit periodic VAT returns for the month of **February** 2020, calculated only on the basis of the data in E-fatura, without the requirement of supporting documentation (i.e. reconciliations and physical documents), the regularisation of the situation being carried out by replacement declaration. This may take place without any additions or penalties, provided that such replacement, based on the entire supporting documentation, and the respective payment or settlement occur during the month of **July** 2020.
2. In **April, May and June** PDF invoices will be accepted as electronic invoices for all purposes provided for in the tax legislation.
3. Infection or prophylactic isolation determined by a health authority are considered situations of **fair impediment in the fulfilment of any tax obligations**, including those that have to be fulfilled in the context of administrative procedures related to the settlement of taxes, in relation to taxpayers or certified accountants, and when supported by a declaration issued by a health authority. It is also a fair impediment the existence of a health fence that prevents movements to and from areas covered by it, when taxpayers or certified accountants have

their tax or professional domicile in those areas.

We will update this information, as and when legislative acts amending or supplementing the above are published.

PARES | Advogados is available to provide more detailed information on this and other topics that will suit the specific needs of each client, being able to offer all necessary support on this matter.

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