

EXTENSION OF THE DEADLINE FOR THE SUBMISSION OF TAX RETURNS AND TAX PAYMENTS (ROYAL DECREE-LAW 14/2020 OF 14 APRIL)

I. BACKGROUND

On 15 April 2020, Royal Decree-Law 14/2020 of 14 April came into force, establishing an extension of the deadline for filing certain tax returns and paying taxes, as well as self-assessments until 20 May 2020, as an extraordinary measure to address the financial difficulties posed by the COVID-19 health crisis for the self-employed and SMEs. We will now answer the questions raised by this regulation:

II. TO WHICH TAX RETURNS AND SELF-ASSESSMENTS DOES THE EXTENSION OF THE DEADLINE APPLY?

It applies only to returns and self-assessments that must be filed with the AEAT, i.e. for taxes that are raised by the State. Therefore, it does not apply to taxes handled by the Autonomous Communities (for example, the Tax on Property Transfers and Documented Legal Acts and the Inheritance and Gift Tax) or to local taxes. Several Autonomous Communities and City Councils have approved extensions to the deadline for declaring and paying the taxes they raise.

The extension of the deadline also applies to informative tax returns, i.e. those that do not require payment.

On the other hand, the measure is only applicable to returns and self-assessments for which the deadline is between 15 April and 20 May 2020, for example:

- Self-assessments corresponding to the first quarter of 2020 for VAT (form 303), income tax instalments (forms 130 and 131) and withholdings (forms 111, 115, 123 and 216).
- The recapitulative declaration of intra-community transactions of the first quarter of 2020 (form 349).
- The self-assessment of the corporate tax instalment payment of April 2020 (form 202).

The measure does not apply to declarations governed by customs regulations.

III. TO WHICH TAXPAYERS DOES THE EXTENSION OF THE DEADLINE APPLY?

Only those whose volume of operations in 2019 does not exceed 600,000 euros, regardless of their legal form (natural or legal person or entity without legal personality). In other words, self-employed persons and SMEs.

The volume of transactions is that declared for VAT purposes on form 390, since this is specified in the explanatory memorandum to Royal Decree-Law 14/2020.

In a [note](#), the AEAT has clarified that, when the taxpayer is not required to file VAT returns, the net turnover for VAT purposes or the equivalent for personal income tax purposes will be taken as the volume of transactions (although it should be borne in mind that the Administration does not yet have this information for 2019, which will make it difficult to



apply the extension of the payment period ex officio).

The extension of the deadline does not apply, regardless of their volume of transactions, to taxpayers who apply the consolidated tax regime for corporate income tax or the group regime for VAT.

IV. UNTIL WHEN ARE THE DEADLINES EXTENDED?

The deadlines, both for filing and payment, are extended until 20 May 2020. However, if the method of payment chosen is direct debit, the extension ends at 15 May 2020.

V. DOES THE EXTENSION OF THE DEADLINE APPLY AUTOMATICALLY, INCLUDING SELF-ASSESSMENTS ALREADY SUBMITTED BEFORE 15 APRIL 2020?

Yes, and regardless of the date of filing. In other words, self-assessments filed before 15 April 2020, when direct debit has been chosen as the method of payment, will be debited automatically on 20 May 2020. No express request is necessary.

However, the Administration will only know that the extension of the deadline is applicable to the taxpayer if in form 390 for the 2019 financial year he or she has declared a volume of transactions not exceeding 600,000 euros. If he or she has not submitted this form (due to non-compliance with the obligation or because he is not obliged to do so), it is advisable to expressly request the application of the extension.

If the self-assessment has already been paid (e.g. by NRC) before 15 April 2020, no refund is to be expected.

VI. IS THE EXTENSION OF THE DEADLINE FOR FILING AND PAYMENT COMPATIBLE WITH THE EXTRAORDINARY DEFERRAL PROVIDED FOR IN ROYAL DECREE-LAW 7/2020?

In our opinion the extension is compatible because the extraordinary deferral is provided for self-assessments whose deadline for filing and payment is 30 May 2020. The postponement can be requested, in respect of self-assessments to which the deadline extension applies, until 20 May 2020. The combined effect of both measures is therefore a deferral of 4 months without interest and an additional 3 months with interest.

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