

LAKATOS, KÖVES ÉS TÁRSAI
ÜGYVÉDI IRODA

LKT NEWS

CORPORATE
3 APRIL 2020

ANTICIPATED STATE SUPPORT MEASURES IN HUNGARY:

The Hungarian Prime Minister, Viktor Orbán, has announced that a package of economic measures related to COVID-19 will be published on the 7th of April, 2020. The support scheme is expected to include several labour market and financial relief measures in the industry, commerce, transport and logistics sectors.

The labour market measures are anticipated to include the following:

- temporary part-time work with the reduction of wages;
- the institution of short-time working;
- state aid to support the payment of salaries,
- tax exemption for personal income tax and contributions;
- a special fund for redundant employees and for the reimbursement of salaries;
- access to early retirement.

Financial relief measures the government may introduce include general and sector-specific tax reliefs and exemptions (e.g. exemption from local business tax, deferral of payment of corporate tax and other charges in the above-mentioned sectors). Other measures may include the following:

- modification of lease agreements of business premises depending on the decrease in turnover with effect from 1 March 2020;
- rescheduling of loan agreements;
- establishment of a monetary fund to support certain sectors;
- deferral for the pre-payment of tax;
- exemption from VAT in certain circumstances depending on the amount of paid leases for shopping centres;
- reduction of the payment period for VAT refunds.

WHO TO CONTACT?

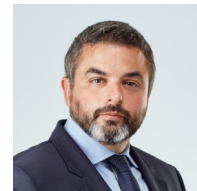
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