



CORONAVIRUS

Tax, General Fees & Public Counters

INTRODUCTION

This is a digest of Government of Gibraltar's approach to taxation measures, general fees and the operation of public counters during the Covid-19 pandemic.

This update forms part of TSN's series of notes relating to the Covid-19 crisis. Please visit <https://www.tsnlaw.com/covid-19/> to view all of our guides relating to Gibraltar Covid-19 matters.

These notes are current as of the date of publication and may be subject to changes.

SUMMARY

The Government of Gibraltar has made a number of announcements concerning income tax measures, incentives and relief to offer assistance to businesses and individuals to reduce the effect of the Covid-19 pandemic on the Gibraltar economy. These announcements have been widely made in the Government's press release of the 24th March 2020 that can be read here: <https://www.gibraltar.gov.gi/press-releases/chief-ministers-statement-on-business-employee-assistance-terms-the-beat-covid-19-measures->

[2212020-5735](#). A number of these policies have not yet been legislated for.

In addition to matters of taxation, the Government of Gibraltar has also introduced measures to help alleviate the cost of doing business during these times and has also introduced a number of measures to facilitate for digital filing, communication and payment in order to reduce the need to attend physical public counters of various Government departments and authorities.

Gibraltar Income Tax Office

On the 16th March 2020 the Income Tax Office produced an information leaflet to inform the public of how individuals may liaise with the different departments within the income tax office during the lockdown measures applying.

This leaflet can be accessed here : <https://www.gibraltar.gov.gi/uploads/Income%20Tax%20Office/covid19/COVID19-Information-Leaflet-English-version.pdf>.

PAYE & Social Insurance Contributions

The Government of Gibraltar in its press statement of the 24th March 2020 set out various provisions in relation to the payment of PAYE, social insurance and corporate tax. To date, a number of these measures have not been legislated and are widely contained in the policy announcement.

Employers across all business sectors will be allowed to defer PAYE and Social Insurance contributions for Q2 2020 by a period of 12 weeks from month end.

Please note that any business or self-employed person receiving the benefit of a BEAT Covid-19 contribution from the Government of Gibraltar (please see our note on this here for more information) will not need to pay PAYE or social insurance for the BEAT contributions received.

In the policy statement of the 24th March 2020, a BEAT Covid-19 corporation tax deductible will also be introduced at the sum of £50,000 as a one-off capital allowance for the current financial year.

Import Duty

The Government in their policy statement of the 24th March 2020 announced that there will be a waiver of import duty on all classes of goods except for tobacco, fuel, alcohol and motor vehicles commencing on 1st April 2020.

Companies House

Companies House have issued a press release stating that a 90 day extension will be granted for returns and documents due to be filed in the next quarter (1st April to 30th June 2020). This extension will not apply to any return or document that is out of date prior to the end of March 2020. Please note that statutory timings for filing of other documents may still apply and not subject to this exemption.

Courts & Judicial System

In summary, Gibraltar's courts & registries will be closed until further notice and all hearings have been vacated and matters stayed until further notice. In summary, specific rules have been introduced that effectively close the courts and the registry counters for the Supreme Court and Magistrates' Court for a foreseeable period from the 17th March except for urgent applications. The rules also impose a stay (effectively, a 'pause') on all civil matters and that all hearing dates that were listed be vacated (i.e. would need to be

rescheduled). More recently the Chief Justice has provided by way of Gazette notice that the said rules are to be extended until the 7th May 2020.

The Supreme Court may carry out hearings by telephone and/or physically in court buildings in cases of urgency, the interests of justice test is met and it is feasible to progress matters. Probate applications will also continue to be received and processed for urgent applications. During this period of closure the Magistrates' Court will continue to deal with first appearances, remands and other urgent matters.

Employment Fees and Services

The policy statement of the 24th March 2020 also sets out that the streaming of work permits, registration process for gaming and financial services sectors and the waiver of all fees in this respect will continue and will include all sectors, as some of these businesses may need to grow their workforce during this period of increased activity for some. Whilst this has not yet been legislated for and as a result which fees may be waived is not known exactly. For example, the renewal of a work permit fee may still be payable.

The Department of Employment may carry out a majority of its functions online by way of email or by post. This includes payments being made by way of bank transfer. Matters of business registration, registration of workers, work permits and detached workers, unemployed registrations, labour inspectorates, health and safety inspectorates and the employment tribunal can be all managed online. Full information may be found on the Department of Employment's website here <https://www.gibraltar.gov.gi/departments/employment>.

Civil Status & Registration Office

Whilst no formal announcement has been made, matters relating to civilian registrations and visas with the Civil Status and Registration Office ("CSRO") may be dealt with by way of submitting applications at the CSRO's physical dropbox at 2-8 Secretary's Lane, Gibraltar, accompanied with the relevant payment. We would urge however that the

CSRO be contacted in advance of filing any documents.

Financial Services

Government of Gibraltar on the 24th March 2020 also announced that GFSC fees that would normally be payable for the whole year in advance in April may now be paid quarterly in arrears.

Gaming Duty

As per the Government of Gibraltar's statement of the 24th March 2020, Gaming Duty will be deferred to the end of each quarter.

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Please contact us if you need a comprehensive and up-to-date statement of the relevant law.