



Measures applicable to all undertakings

Commercial Initiatives by Banks	
BCEE – BGL – Raiffeisen – ING – BIL – Banque de Luxembourg	Suspension of loan repayments (up to 6 months) granted by certain banks
SNCI (the Luxembourg state-owned development bank)	Relaxation of the conditions for the repayment of SNCI credit lines and loans
State (Backed) Financial Support	
Direct financial support	An advance of up to EUR 500,000 per company (or group of companies) to be reimbursed
State guarantees (total package up to 2,5 billion)	State Guarantee for new credits granted by certain Luxembourg credit institutions for a maximum period of 6 years. The state guarantee amounts up to 85% of the principal and interest. Maximum amount of eligible loans: up to 25% of the borrower's turnover for 2019
SNCI (“ <i>Financement Spécial Anticrise</i> ”)	Indirect loans granted by SNCI and the undertakings bank. SNCI will finance up to 60% of the required amount provided that the bank finances the remaining 40%. The amount financed by the SNCI can vary between EUR 12,500 and EUR 10,000,000
Luxembourg Export Credit Agency	Various measures for companies that export/are looking for investments abroad
Employment/Social Security	
Temporary unemployment or short time (<i>chômage partiel</i>)	Short-time work (Chômage partiel): certain employers are entitled to receive 80% of the salary cost for unworked hours subject to a minimum of EUR 2,141.99 (certain max. apply, such as a cap of EUR 5,354.98 and 1.022 hours per employee per year)
Family leave	Family leave: Luxembourg social security authorities will pay employers an advance to cover extraordinary family leave
Social Security	<ul style="list-style-type: none"> ✔ Suspension of interests on, collection and enforcement of certain social security contributions and fines
Cross border work	<ul style="list-style-type: none"> ✔ Cross-border work facilitation
Tax	
Double-taxation treaties	<ul style="list-style-type: none"> ✔ Suspension of the rule for Belgian, French and German Cross-border workers pursuant to which they are not allowed to work more than a certain number of days outside Luxembourg (at home) in order to remain subject to tax in Luxembourg
Income Tax advances	<ul style="list-style-type: none"> ✔ Cancellation of advances on certain taxes
Interest free-payment extension	<ul style="list-style-type: none"> ✔ Extension of payment deadline by 4 months
Income Tax returns	<ul style="list-style-type: none"> ✔ Extension of the deadline for submission of tax returns until June
No penalties	<ul style="list-style-type: none"> ✔ Suspension of administrative penalties
VAT	<ul style="list-style-type: none"> - VAT payment deferral - Anticipated reimbursement of VAT credit balances below EUR 10,000

Bankruptcy	
Declaration of bankruptcy	Suspension of the deadline for the director's obligation to declare the state of bankruptcy in case of the cessation of payment
Lease	
No eviction of lessors	Temporary suspension of the eviction of the lessor



Measures applicable to small and medium enterprises

Guarantees	
SNCI	<ul style="list-style-type: none"> ✔ SNCI financing over 5 years in favour of “mutualité des PME” and “mutualité de cautionnement” allowing to extend guarantees granted by these professional bodies ✔ Provision by the SNCI of SME guarantees through cooperation with banks for obtaining new working capital lines
Start-ups	
Increased financing rate	Maximum co-financing rate increased from 50% to 70% for any financial aid for young and innovative companies
Companies with 10 to 20 employees	
Non-reimbursable payment	One-time payment of EUR 12,500 for those forced to cease their operations or that suffered a major loss of their turnover



Measures applicable to micro-enterprises

Direct Financial Support	
Non repayable grant	Non repayable grant of EUR 5,000 for those forced to cease their operations or that suffered a major loss of their turnover
Additional non-repayable grant	Additional non repayable grant of EUR 5,000 for those forced to cease their operations or that were allowed to start again their activity but suffered a major loss of their turnover



Measures applicable to self-employed persons

Direct Financial Support	
Emergency allowance	Emergency allowance of EUR 2,500
Additional financial aid	Direct aid of EUR 3,000, 3,500 or 4,000 depending on the income level of the person



Contacts

We hope you found this publication useful. If you wish to learn more, please contact our partners if you would like to receive the full brochure. We welcome the opportunity to answer any questions you might have about its content.



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This brochure summarises the public measures adopted in Luxembourg to support Luxembourg business in the light of the COVID-19 crisis. Please note that the situation evolves every day, because some measures are still in the legislative process and/or may be subject to modification. For this reason we may not exclude that some of the information given here must be updated in the very near future. This brochure does not constitute a legal advice and does not replace a thorough analysis of your particular situation in order to figure out from which measures you/your company could benefit.