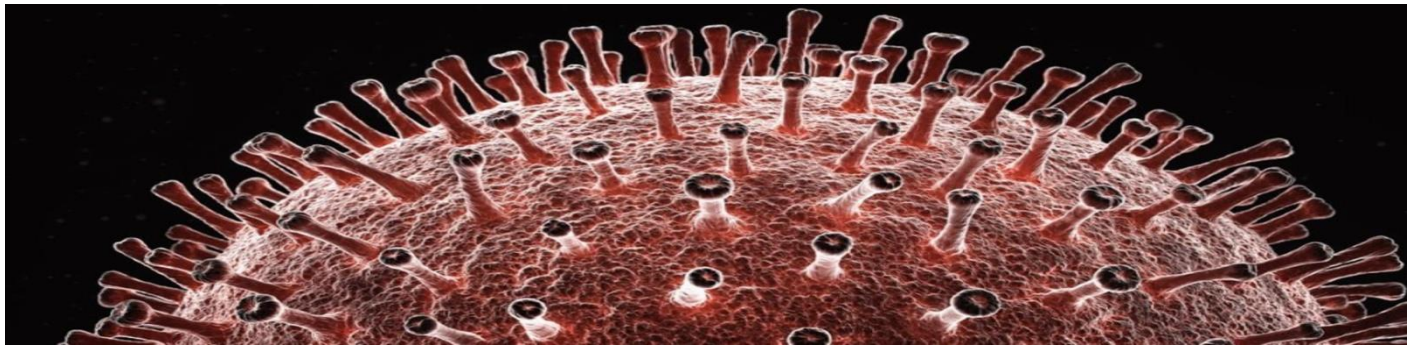


TRU COVID-19 Flash Alert



COVID 19 - Ministry of Finance Announces Temporary Relief Measures to Taxpayers

MOF on 29 March 2020 announced the following temporary relief measures to the taxpayers under the provisions of the Income Tax Act, Value Added Tax Act and Excise Act.

1. Extension of due dates for filing returns

The due dates for filing of eTDS, VAT and Excise returns and payment of TDS, VAT, Excise Duty for the month of Falgun 2076 which becomes due on 25 Chaitra 2076 (7 April 2020) has been extended to 25 Baisakh 2077 (7 May 2020). As 7 May 2020 is a public holiday (Buddha Jayanti) the returns can be filed on the next day i.e. on 8 May 2020.

2. Due date for depositing 2nd instalment of advance tax extended

The date for deposit of the 2nd instalment of the advance tax (70% of the estimated tax) has been extended by one month from 30 Chaitra 2076 (12 April 2020) to 31 Baisakh 2077 (13 May 2020).

3. Tax relief for contributions to the CORONA Fund

The amount contributed by a person to the Corona Infection Prevention Control and Treatment Fund established by the Government of Nepal and the Government of the State will be allowed as a deductible expenses when calculating the taxable income of that fiscal year.

PKF Nepal's Comments

It is expected that the GoN will announce other relief measures to revive the economy and provide relief to the impacted businesses by the Covid 19 pandemic soon.