

Corona Information for Germany (updated monthly)

Status week 8 — February 24, 2021

Dear Sir or Madam,

We hope you and your families are doing well in these special times. Without claim of completeness, we would like to give you an overview of the most important measures and information right now.

+++ UPDATE WEEK 8 — February 24, 2021 +++

A. Restriction of social contacts — Lockdown

On February 10, 2021, the German Chancellor and the government leaders of the Federal States [agreed](#) on an extension of the measures currently in force. This extension is intended to prevent the spread of the more infectious variants of the corona virus despite the falling number of corona cases. The **previous measures will therefore remain in place until 07 March 2021**. From March 1, 2021, there will also be free antigen rapid tests for everyone.

In perspective, the following key points have been defined for easing:

- Regarding **daycare centers and schools**, the Federal States can decide how and when to revert to childcare and face-to-face teaching. It is also to be examined whether teachers at primary schools and educators could receive earlier vaccination.
- From March 1, 2021, **hairdressers** will be able to reopen. Hygiene measures – such as the wearing of a medical mask – are prescribed.
- **The opening of further branches** by the federal states is envisaged from a stable 7-day incidence of a maximum of 35 new infections per 100,000 inhabitants. From falling below this threshold, retail trade – with a limit of one customer per 20 square meters – as well as museums, galleries and so-called body-related service businesses are to be allowed to reopen.

B. Interim Aid III

Applications for Interim Aid III have been possible since February 12, 2021. The previous restriction to a turnover of EUR 750 million is to be lifted. In addition, on Jan. 28, 2021, the European Commission increased the aid ceiling for small grants to EUR 1.8 million per company (previously EUR 800,000). This new flexibility is to be fully utilized in the context of Corona Aid. For more details, see: [Federal Ministry of Finance – Interim Aid simplified and improved](#)

C. Child bonus

As in 2020, there will also be a child bonus in 2021. A one-time bonus of EUR 150 will be paid for each child eligible for child benefit in 2021. There will be no crediting against social benefits. For more details, see:

Wie bereits im Jahr 2020 wird es auch 2021 einen Kinderbonus gegeben. Für jedes im Jahr 2021 kindergeldberechtignte Kind wird ein einmaliger Zuschuss von 150 Euro gezahlt. Es erfolgt keine Anrechnung auf Sozialleistungen. Näheres unter: [BMFSFJ - Questions and answers about the child bonus](#)

D. Reduced VAT rate in restaurants and catering services

The reduction in the sales tax rate for food in restaurants and catering services from 19% to 7%, which was previously set to expire on June 30, 2021, is to be extended until December 31, 2022. These measures are intended to support restaurateurs in the period after reopening. For more details, see: [Federal Ministry of Finance - Third Act Implementing Tax Relief Measures to Address the Corona Crisis \(Third Corona Tax Relief Act\)](#)

E. Possibility of increased loss carryback

In order to ensure liquidity and improve the possibility of offsetting losses from the Corona pandemic, the tax loss carryback for the years 2020 and 2021 is to be extended once again. Accordingly, it will be possible to carry back losses up to an amount

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of EUR 10 million for single taxpayers and up to EUR 20 million for joint taxpayers. For more details, see: [Federal Ministry of Finance - Third Act Implementing Tax Relief Measures to Address the Corona Crisis \(Third Corona Tax Relief Act\)](#)

+++ STATUS WEEK 4 — January 25, 2021 +++

A. Restriction of social contacts — Lockdown

Extension and tightening of the "hard" lock-down: Due to the unclear data situation because of the past holidays and the danger of spreading the new virus mutations from Great Britain and South Africa, the German Chancellor and the heads of government of the German Federal States have [agreed](#) on an extension and tightening of the hard lock-down on January 5, 2021. The regulations were already [tightened up](#) again on January 19, 2021. The following therefore currently applies:

- All decisions that were originally limited until January 10, 2021 are still valid and will be **extended until February 14, 2021**.
- Furthermore, the **restriction of social contacts will be tightened**. Since January 11, 2021, social gatherings are only permitted within the circle of members of one's own household with a maximum of one other person not living in the household.
- In addition to the existing measures, **company canteens will also be closed** wherever work procedures permit. However, the distribution of take-away food and drinks remains permissible. On-site consumption is prohibited.
- In the future, it will be mandatory to wear **medical masks** (so-called surgical masks or masks of the KN95 or FFP2 standards) in public transport and in shops.
- Employers are again called upon to **provide generous home office facilities** for their employees in order to prevent the risk of infection in the workplace. There are also plans to issue a temporary regulation to oblige employers to offer home office options to their employees as far as operationally possible.
- A new addition is also a **restriction on the range of movement**. In counties with a 7-day incidence of more than 200 new infections per 100,000 inhabitants, the radius of movement is limited to 15 kilometres around the place of residence, unless there is a valid reason. Day trips are explicitly not considered a valid reason.

The implementation and concretisation are left to the respective Federal States. In some cases, further restrictions on exit have already been adopted. A list of links to the measures of the Federal States can be found at: [Corona rules in the Federal States \(bundesregierung.de\)](#)

B. November and December Aid

Entitled to November and December aid are companies, businesses, associations and institutions affected by the **renewed closures** due to the Corona pandemic.

The **November Aid** is limited to the duration of the Corona-related lockdown in November 2020. The **December Aid** covers the extension of these ordered closures or operating restrictions until 31 December 2020, as decided by the Federal Government and the Federal States.

Those affected will be granted a **lump sum for costs**. In order to keep the procedure as simple as possible, this cost lump sum is approximated to the turnover. Applications can only be submitted by a tax advisor, auditor, lawyer or certified accountant. Applications for November and December aid must be submitted by 30 April 2021. Details can be found at: [Interim Aid for enterprises – November and December Aid \(ueberbrueckungshilfe-unternehmen.de\)](#)

C. Interim Aid III

This interim aid offers financial support for companies, self-employed persons and freelancers if the annual turnover of the year 2020 did not exceed EUR 750 million. The benefits are intended to mitigate the decline in turnover during the Corona crisis. **Interim Aid III** covers the period from November 2020 to June 2021.

Companies that have suffered a drop in turnover of at least 30% in a month compared to the reference month of 2019 are **eligible to apply**. However, as **double subsidies are excluded**, enterprises are not eligible to apply for the months of

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November and December 2020 if they have received November or December aid in these periods. Benefits under Interim Aid II for these months will be taken into account.

A subsidy is granted for the monthly fixed operating costs, depending on the amount of the decline in turnover compared to the same period in 2019:

- Slump in turnover > 70%: 90% of the monthly fixed costs are reimbursed.
- Slump in turnover < 70% but > 50%: 60% of the monthly fixed costs are reimbursed.
- Slump in turnover between 30 and 50%: 40% of the monthly fixed costs are reimbursed.

The maximum amount of funding for all companies is generally EUR 1.5 million per month. However, European law regulations on subsidies must be observed.

Applications may only be submitted by tax advisors, lawyers, auditors and certified public accountants. For more details, see: [Interim aid - improved, expanded and topped up! \(ueberbrueckungshilfe-unternehmen.de\)](https://ueberbrueckungshilfe-unternehmen.de)

D. Promotion of antigen testing production systems

The funding is intended to support companies in establishing their own competitive production capacities for antigen testing in Germany. Applications can be submitted from now until March 31, 2021. Details at: [BMW i - Federal Government launches funding for production of antigen tests](#)

E. Promotion of research and technology projects for the production of protective equipment

In future, the BMW i will support companies that provide services along the entire value chain of protective equipment against the spread of the coronavirus. EUR 163 million in funding will be made available for this purpose until 2025. Applications can be submitted as of now.

Details at: [BMW i - Federal Ministry of Economics and Technology launches funding for research and technology projects for the production of innovative personal protective equipment](#)

F. Support for professional sport also in 2021

To support sports clubs, associations and businesses in professional and semi-professional competition, financial benefits will also be granted in 2021. For further details please see: [BfM - Support for professional sport also in 2021 \(bund.de\)](#)

G. Support for culture

For cinemas affected by the closures due to the Corona Pandemic, further support is being provided by the Federal Government. More details under: [FFA German Federal Film Board | Corona Emergency Aid](#)

The BMF also intends – outside of Interim Aid III – to set up a special fund for cultural events. Details of this fund are currently being worked out.

H. Duty to file for insolvency

The obligation to file for insolvency remains suspended until the end of April 2021 for those companies that are entitled to receive financial assistance under government aid programmes to mitigate the consequences of the COVID 19 pandemic. Prerequisites are therefore in principle that a corresponding promising application has been submitted in good time. For more details, see: [Suspension of the obligation to file for insolvency is extended \(bundesregierung.de\)](#)

I. Support for digitalisation

In order to support digitisation and at the same time stimulate the economy, certain digital economic goods can be immediately written off in full in the year of acquisition or manufacture with retroactive effect from 01 January 2021. These assets are to include computer hardware and software for data input and processing.



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+++ STATUS WEEK 53 — December 31, 2020 +++

A summary of all measures and information of the year 2020 can be found here as a download: https://www.moore-germany.com/wp-content/uploads/Corona-Information_2020_english.pdf

Should you have questions or require any assistance, please do not hesitate to get back to us. As always, we will assist you wherever we can.

Take care of yourselves and each other!