

Corona Information for Germany (updated monthly)

Status week 16 — April 19, 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.

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A. Restriction of social contacts – Lockdown

On March 22, 2021, the German Chancellor and the heads of government of the Federal States [agreed](#) on an extension of the measures previously in force. This is to continue to prevent the spread of the more contagious variants of the coronavirus. **The existing measures will therefore remain in place until 18.04.2021.** The following key points were agreed:

- The existing **emergency brake regulations** are to be implemented consistently. For example, stricter contact restrictions are to come into force from a 7-day incidence of more than 100 on three consecutive days in a region or in a Federal State.
- Companies are still to allow home offices where possible. If this is not possible, employees should be **regularly offered a test**.
- In the Federal States, **temporary model projects** are to be made possible, subject to compliance with strict protective measures and a test concept..

The implementation and concretization are left to the respective Federal States. In some cases, more far-reaching exit restrictions have already been adopted or the existing measures have been extended. A list of links on Federal States' actions can be found at: [Corona Rules in the Federal States \(federalgovernment.com\)](#).

B. Assistance in cases of hardship

The existing business assistance schemes are to be supplemented by assistance in cases of hardship. These are intended to give the Federal States the opportunity to support companies and self-employed persons in need of such assistance. Up to EUR 1.5 billion will be made available for this purpose in 2021. As a rule, assistance in cases of hardship is not to exceed EUR 100,000. More information at: [BMW - Federal and state governments launch assistance in cases of hardship](#).

C. Improvement of Interim Aid III

In addition to Interim Aid III, an equity grant is now available for companies that have suffered a drop in sales of more than 50% in each of at least three months in the period from November 2020 to June 2021. The basis of assessment for the equity grant is the amount of the company's fixed costs, of which up to 40% can be claimed as a grant. In addition, the fixed cost subsidy has been increased to 100% for those companies that suffer a drop in sales of more than 70%. More information at: [Bundesfinanzministerium- Improvement of Interim Aid III](#).

D. Corona Occupational Health and Safety Ordinance and Mandatory Test Offer

The Corona Occupational Health and Safety Ordinance has been extended until June 30, 2021. The regulations, such as those on home office or the obligation to wear a mask in the company, remain in force. What is new is that employers must offer their employees who cannot work in a home office Corona tests in the future. Employees must be offered one Corona test per week, and employees with an increased risk of infection must be offered two tests per week. The costs of the tests are generally borne by the employers. Employees are not obliged to accept the test offer. For more information, see: [Corona: Companies must offer tests \(bundesregierung.de\)](#).

E. Training bonus

With the program "Securing apprenticeship positions", the German government wants to support SMEs and at the same time secure apprenticeship positions. A bonus is paid when trainees are taken on, either for the first time or on a larger scale, or

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when they are taken on from insolvent companies. These premiums are now doubled. From June 1, 2021, a premium of EUR 4,000 per training contract will be granted instead of the previous EUR 2,000. If the number of trainees is even increased, the premium will then be EUR 6,000 per training contract instead of the previous EUR 3,000. For more information, please see: [Federal program to secure training places \(bundesregierung.de\)](#)

F. Financial support for child and youth education

The Federal Ministry for Family Affairs, Senior Citizens, Women and Youth provides financial support for non-profit institutions for children and youth education. These facilities include youth hostels, school hostels, youth education centers and family recreation initiatives. In 2021, EUR 100 million is to be made available. More information at: [BMFSFJ - EUR 100 million for the preservation of non-profit facilities.](#)

G. Extension of fiscal relief

Some of the existing tax relief measures have been extended. For example, taxpayers affected by the Corona pandemic are eligible for deferral of tax payments, deferral of enforcement measures, waiver of late payment penalties and adjustment of advance tax payments. For more information, see: [Federal Ministry of Finance - Further extension of procedural tax relief.](#)

H. Easier access to short-time work

Easier access to short-time work is to be extended until June 30, 2021, in order to create clear prospects for the companies and employees affected. More information at: [BMAS - Easier access to short-time work to be extended.](#)

+++ STATUS 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 March 7, 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.

The implementation and concretisation are left to the respective Federal States.

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.

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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 \(ueberbrueckungshilfe-unternehmen.de\)](https://www.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 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://www.ueberbrueckungshilfe-unternehmen.de)

Applications for Interim Aid III have been possible since February 12, 2021. The previous restriction to sales of EUR 750 million is to be lifted. On January 28, 2021, the European Commission also 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.](https://www.bmi.bund.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 - Federal Government launches funding for production of antigen tests](https://www.bmw.bund.de)

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

In future, the BMWi 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 - Federal Ministry of Economics and Technology launches funding for research and technology projects for the production of innovative personal protective equipment](https://www.bmw.bund.de)

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: [BMI - Support for professional sport also in 2021 \(bund.de\)](https://www.bmi.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.](https://www.ffa.de)

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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.

J. Tax measures

As in 2020, there will be a child bonus in 2021. A one-time subsidy of EUR 150 will be paid for each child eligible for child benefits in 2021. There will be no offset against social benefits. For more details, see: [BMFSFJ – Questions and answers on child bonus](#).

The reduction in the VAT rate for meals in restaurants and catering establishments 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 Corona Tax Assistance Act](#).

To ensure liquidity and improve the ability to offset losses from the Corona pandemic, the tax loss carryback for 2020 and 2021 is to be extended again. Accordingly, it will be possible to carry back losses up to an amount 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 Corona Tax Assistance Act](#).

+++ 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!