



**A message from Wim Eynatten,  
BJA Legal & Tax Committee Chair  
and International Tax Partner at Deloitte**

Dear BJA Friends,

I hope that you, your families, colleagues and friends are all well and safe during these unprecedented times, and that your companies are navigating these challenging times and starting to recover.

As we continue to navigate the COVID-19 crisis, it is clear that thinking is now firmly focused on recovery, and the steps required as we are emerging from lockdown.

As the COVID-19 pandemic radically disrupted work environments, the first priority has been crisis response: emphasising health and safety, essential services, and the virtualisation of work and education.

Now, companies are focusing on reopening and/or restoring the workplace effectively, efficiently, and especially safely. Yet the abundance of “unknown unknowns” - everything from changes in the social contract, to macroeconomic impacts, to local health ordinances, to individual employee preferences or fears of

populated work environments – further complicate what is already a significant challenge.

The transition out of the lockdown starts to feel more real and further deconfinement in Belgium is expected as from 8 June 2020 with restrictions easing on travel, restaurants and bars. However, the journey out of lock down may be a potentially long one. Until there will be a vaccine we will have to get used to a new way of living and working. The BJA and Deloitte, like many other organizations and companies, are undergoing a transition in the way in which they engage with members, clients and stakeholders.

The COVID-19 crisis is not only impacting our personal lives, but it is also affecting our economy. Certain industry sectors are heavily impacted by this crisis and many companies are facing liquidity and/or solvency issues.

The Belgian Government acted very quickly at the beginning of the crisis and introduced support measures to mitigate on the immediate impact of the COVID-19 crisis. The BJA expresses its strong appreciation for the measures taken so far by the Belgian Government. Now that companies are starting to recover from the crisis additional tax & legal measures will be required to ensure a successful recovery.

As you may have read in the Belgian press, the Belgian Government is currently working on new COVID-19 Belgian support tax measures, i.e. (i) tax-free loss carry-back reserve; and, (ii) tax-free recovery reserve. The objective of these new measures is to allow companies to restore their liquidity and solvency positions. The recovery reserve should allow companies to maintain future profits in the company by exempting these profits from corporate income tax, so as the restore the company's pre-Covid-19 equity; this regime will be subject to the company maintaining its equity and employment level. Both tax-free loss carry-back reserve and tax-free recovery reserve regimes are optional and subject to certain conditions and limits. These proposed support tax measures may still be subject to change during the legislative process. We will inform you on the details of these

new measures in the upcoming BJA Newsflashes once they are final.

The BJA Legal & Tax Committee remains in close dialogue with the Unified Belgian Tax Alliance for a Successful Recovery and the Cabinet of the Minister of Finance and will keep all BJA members updated on further developments and any new tax or legal measures.

We hope that the Legal & Tax Committee updates in the weekly BJA Newsflashes are of interest to you. Please do not hesitate to reach out to us in case you would have a specific request for the Legal & Tax Committee; we will be glad to help you.

Until we meet again, please stay safe and healthy.

Wim Eynatten

BJA Legal & Tax Committee Chair and International Tax Partner at Deloitte

*Enjoying Friday evening after work drinks with colleagues in Tokyo.  
Looking forward to be able to have these enjoyable moments again.*

