



Governmental support to companies in the Corona situation

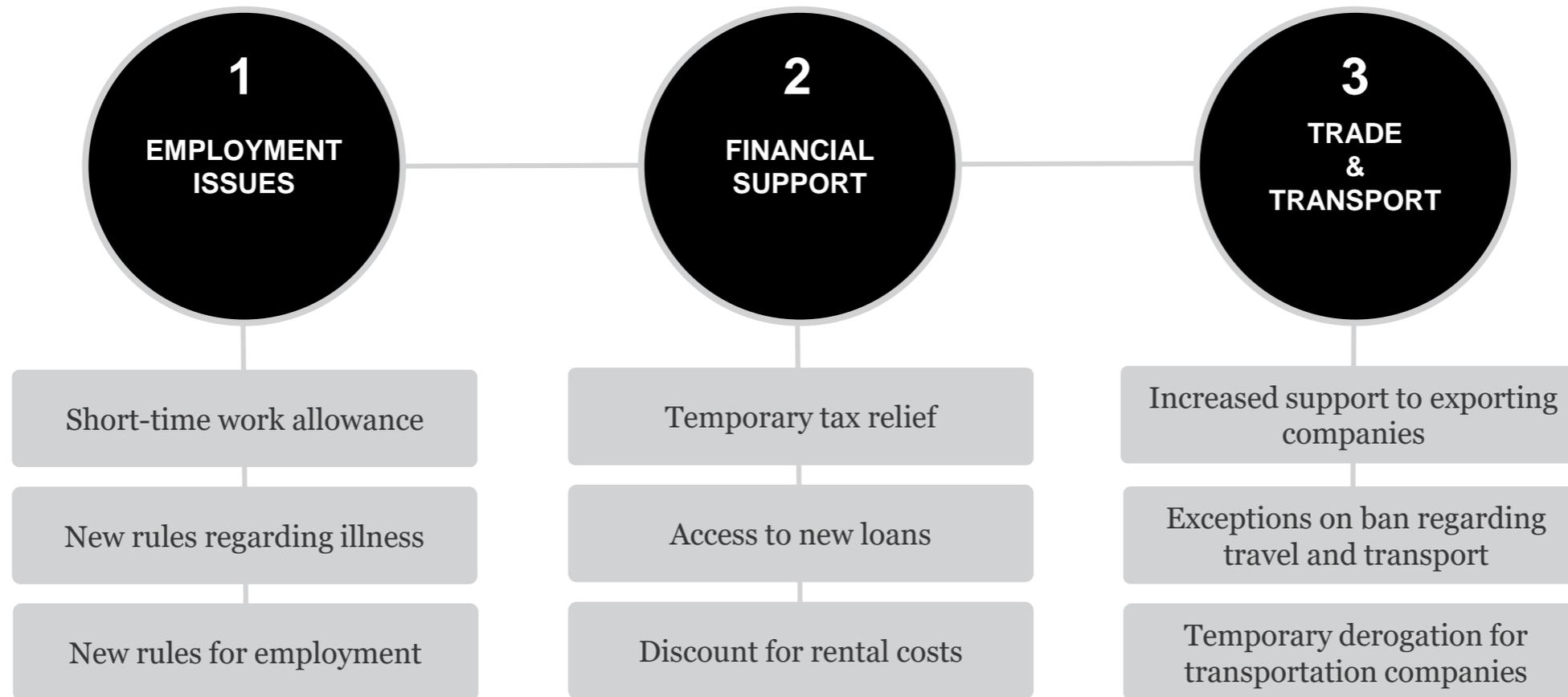
Important measures for employers or entrepreneurs with operations in Sweden

Business Sweden

Updated April 15th, 2020



The Swedish Government has enhanced support in three main areas



Short-time work allowance can decrease personnel cost by one-half while employees maintain salary

- Short-time working means that an employee reduces working hours and wages instead of being laid off. The employer can reduce employees working hours and receive financial support from the Government to compensate for a significant part of the costs for retaining the employee.
- The objective is for affected companies to be able to retain their staff and gear up quickly again when the current situation turns around.
- It is possible to apply for the financial support retroactively from 16th of March. The short-time work allowance program will remain in effect throughout 2020.
- Ensure that your company has the possibility for short-time working in the central and local collective bargaining agreement.
- In the event the company does not have a collective bargaining agreement, at least 70 percent of employees must consent to and participate in the short-time working. The reduction in working hours and wages that have been agreed upon must be the same for all participating employees within the operating unit.

This is how the costs for a reduction in pay and working hours are apportioned
(Maximum salary is SEK 44,000 per month)

Level	Reduced working hours	Reduced wages	Employer	State	Reduced costs for employer
1	20%	4%	1%	15%	-19%
2	40%	6%	4%	30%	-36%
3	60%	7,5%	7,5%	45%	-53%

Source: <https://tillvaxtverket.se/english/short-time-work-allowance.html>

New rules regarding illness – the state takes over costs for sick pay

The state covers costs for sick pay

- The Government has decided that employers will be compensated by the state for the sick pay cost for April and May. The employer reports sick pay costs in connection with the employer declaration.

The qualifying deduction for sick pay is temporarily abolished

- In order to reduce the spread of the coronavirus, covid-19, the Government has decided to temporarily suspend the qualifying deduction for sick pay from 11 March. This means that you can apply retroactively for compensation for the qualifying period from 11 March onwards. The employer should make qualifying deductions as usual.

Temporary abolition of the doctor's certificate requirement

- The Government has decided to temporarily abolish the requirement for a doctor's certificate during the sick pay period. The decision means that an employee who is ill can be home from work during the first two weeks without a doctor's certificate. For you as an employer, this means that the employee does not have to hand in a doctor's certificate. This applies from 13th of March, 2020.
 - The Swedish Social Insurance Office has decided to allow sick pay to be paid until day 21 without a doctor's certificate.

Quarantine allowance

- A doctor may decide that you are not allowed to work because you are – or may be – infected with a socially dangerous disease. The coronavirus, covid-19, is considered to be such a disease. The employee may then be entitled to compensation in the form of a quarantine allowance.

Source: [https://www.verksamt.se/en/web/international/about-verksamt.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#New rules regarding illness](https://www.verksamt.se/en/web/international/about-verksamt.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#New%20rules%20regarding%20illness)
<https://www.forsakringskassan.se/coronavirus>

Possibilities to keep employees with certain contracts for an extra year

New rules for certain types of employment

- The Government proposes to extend the period that your employees can have a so called “*new start job*” or an *introduction employment*, by another year. The period would then be changed from two years to three years.
 - More information to come.

Source: https://www.verksamt.se/en/web/international/about-verksamt.se/news-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#New%20rules%20for%20certain%20types%20of%20employment

Temporary tax relief and reduced employer fees to support companies impacted by the corona virus

Temporarily reduced employer fees

- The Government will temporarily reduce employer fees allowing to only pay the old-age pensions fees, meaning employers only pay 10,21 percent. The reduced employer fees can be used for a maximum of 30 employees. The reduced employer fees will be up to SEK 25,000 and for payments during the period from 1st of March to 30th of June 2020. The reduction will be a maximum of SEK 5,300 per employee and month. This applies from 6th of April.

Possibility to postpone payment of taxes and fees

- Companies that are financially affected by the coronavirus can apply for a payment respite of tax and fees to a later occasion. There are two kind of payment respites:
 - Temporary payment respite of employer contributions, deducted taxes and VAT. The payment respite can be postponed for one year from the decision date. The payment respite is valid for up to three accounting periods between January and September 2020.
 - Respite of tax payment for other types of taxes, such as excise duties

Source: <https://skatteverket.se/servicelankar/otherlanguages/inenglish/businessesandemployers/payingtaxesbusinesses/paymentrespite.4.12815e4f14a62bc048f53b6.html>
[https://www.verksam.se/en/web/international/about-verksam.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Deferment of tax payment due to temporary payment difficulties](https://www.verksam.se/en/web/international/about-verksam.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Deferment%20of%20tax%20payment%20due%20to%20temporary%20payment%20difficulties)
[https://www.verksam.se/en/web/international/about-verksam.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Financing, support and advice/](https://www.verksam.se/en/web/international/about-verksam.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Financing,%20support%20and%20advice/)

Access to new loans – the state offers a guarantee of 70 percent of new loans

Loan guarantees for small and medium-sized businesses are set up

- The Riksbank will lend up to SEK 500 billion via the banks to help companies that are financially impacted by the coronavirus. It is the bank that then loans the money to the company with operations in Sweden.
 - Companies that are viable but which have suffered financial difficulties as a result of the coronavirus will be given the opportunity of a state loan guarantee, which guarantees 70 percent of new loans. Each company may borrow a maximum of SEK 75 million, with some reservation that exceptions can be made.

State-owned Almi adapts loans to current situation

- Almi's "Bryggglån" – a loan adapted to current corona crisis
 - Sustainable small and medium-sized companies in Sweden that are in need of financing as a result of the spread of the new coronavirus, can apply for Almi's "Bryggglån". The loan provides an opportunity for conditions that are specially adapted to the current situation. The loan is always combined with advice.
- Updates regarding regular loans from Almi
 - Almi offers various types of loans within their regular range of services. If you need financing, you can apply for a loan from Almi. If you already have a loan, it is possible to seek payment respite with repayments. The Government has proposed that Almi receives a capital contribution of SEK 3 billion to increase their lending to small and medium-sized companies across the country.

Source: <https://www.riksbank.se/en-gb/press-and-published/notices-and-press-releases/press-releases/2020/riksbank-lends-up-to-sek-500-billion-to-safeguard-credit-supply/>
[https://www.verksamt.se/en/web/international/about-verksamt.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#New governmental proposals for small business](https://www.verksamt.se/en/web/international/about-verksamt.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#New%20governmental%20proposals%20for%20small%20business)
<https://www.regeringen.se/artiklar/2020/03/om-forslaget-statlig-lanegaranti-till-sma-och-medelstora-foretag>
<https://www.almi.se/vara-tjanster/tjanster/lan-och-ovrig-finansiering/bryggglan/>

Temporary discount for rental costs to support exposed industries

Temporary discount for rental costs in exposed industries

- To help industries such as durables (for example clothes, toys and home electronics), hotels and restaurants, the Government has proposed that the renegotiation of rents should be accelerated. The proposal is that the state accounts for 50 percent of the rent reduction and up to 50 percent of the fixed rent. The support is valid from 1st of April – 30th of June 2020 and can be applied for retroactively.
 - *More information to come.*



Source:https://www.verksamst.se/en/web/international/about-verksamst.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Financing, support and advice
<https://www.regeringen.se/artiklar/2020/03/stod-for-sankta-hyor-i-utsatta-branscher/>
<https://www.regeringen.se/artiklar/2020/03/om-forslaget-skattelattnader-till-smaforetagare-genom-utokad-avsattning-till-periodiseringsfond/>

Increased measures proposed to support exporting companies

Improved guarantees for both small and large companies

- Exporting companies can turn to the Swedish Export Credit Agency (Exportkreditnämnden, EKN), which has different types of guarantees. EKN's guarantees insure the risk of not getting paid and facilitates the possibility of obtaining loans through banks in connection with export transactions.
 - To further facilitate Swedish companies access to financing, as a result of the coronavirus, EKN now offers improved opportunities for operating credits for smaller companies with a turnover of up to SEK 5 billion. EKN has also developed a new guarantee for business financing for large companies and their subcontractors.

Increased loan limit to exporting companies

- The Swedish Export Credit Corporation offers loans to exporting companies established in Sweden and their subcontractors with annual sales of at least SEK 200 million.
 - The Government proposes that The Swedish Export Credit Corporation's loan limit should increase from SEK 125 to 200 billion to issue both Government supported and commercial credits to Swedish export companies.
 - *More information to come.*

Source: https://www.verksamst.se/en/web/international/about-verksamst.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Export%20and%20import
<https://www.ekn.se/en/>
<https://www.sek.se/en/>

Temporary rules on travel & transport including relaxed rules regarding driving and rest times

Temporary ban on travel to Sweden

- The Government has decided to temporarily stop non-essential travel to Sweden. There are exceptions in the ban, for example people who transport goods to Sweden. Necessary deliveries of, for example, food and medicines will not be affected. The regulation is valid for 30 days to begin with.

Temporary derogation from driving and rest times

- To make it easier for companies in the transport industry, the Swedish Transport Agency (*Transportstyrelsen*) has decided for temporary derogation from driving and rest times. The decision applies to those drivers involved in domestic and international transports. The daily driving time allowed is extended from 9 hours to 13.5 hours and during a calendar week there must be at least 24 hours coherent rest. The decision took effect on 16th of March and is valid until 14th of April.
- Daily driving time, driving time per week and two weeks driving time may be extended as long as the requirements regarding daily rest and weekly rest is fulfilled.
- The temporary relaxation of the rules reflects the exceptional circumstances stemming from the COVID-19 outbreak. Sweden emphasize that businesses are expected to plan for and manage the risks of disruption to supply chains.

Source: https://www.verksamt.se/en/web/international/about-verksamt.se/news/-/journal_content/56_INSTANCE_0LpMHH7zZQ6q/50205/NEWS_CORONA#Travels and transports
<https://transportstyrelsen.se/en/road/Commercial-transport/notification-of-temporary-derogation-from-driving-and-rest-times/>