

## COUNCIL OF MINISTERS REGULATIONS NO. \_\_\_/2020

### A REGULATION ISSUED TO IMPLEMENT THE STATE OF EMERGENCY PROCLAMATION ENACTED TO COUNTER AND CONTROL THE SPREAD OF COVID-19 AND MITIGATE ITS IMPACTS

**WHEREAS**, Article 93 (4) (a) of the Constitution of the Federal Democratic Republic of Ethiopia and Article 4(1) of State of Emergency Proclamation No.3/2020 Enacted to Counter and Control the Spread of COVID-19, provide that the Council of Ministers shall stipulate through Regulation it adopts details of the suspension of rights and measures to be taken to counter and mitigate the humanitarian, social, economic and political damages that could be caused by COVID-19;

WHEREAS, it has become necessary to take measures that help mitigate the economic damage that could be caused by COVID-19;

NOW, THEREFORE, this Regulation is issued by the Council of Ministers pursuant to Article 4(1) of Proclamation No.3/2010.

#### 1. **Short Title**

This Regulation may be cited as “State of Emergency Proclamation No. 3/2020 Implementation Council of Ministers Regulation No. \_\_\_\_/2020”

#### 2. **Definitions**

In this Regulation:

- 1) “Business” shall have the meaning ascribed to it under Article 2(2) of the Income Tax Proclamation No.979/2016.
- 2) “Proclamation” means the State of Emergency Proclamation No.3/2020 Enacted to Counter and Control the Spread of COVID-19”.
- 3) “Ministry” means the Ministry of Finance.

#### 3. **Loss Carry Forward**

Notwithstanding the provisions of Article 26(4) of the Income Tax Proclamation No. 979/2016, if taxpayers have a loss in 2012 (EC) Fiscal Year, shall carry the amount of such loss to the next fiscal year.

**4. Filing of Tax Return and Payment of Tax**

Notwithstanding the provisions of Article 26 of the Value Added Tax Proclamation, No.286/2002 (as amended) and Article 10 of the Turn Over Tax Proclamation No. 308/2002 (as amended), taxpayers who are required to file tax return and pay the tax every month shall file the tax return and pay the tax that shall be due in the month of Megabit, Miazia and Ginbot, 2012 (EC) in the month of Sene 2012(EC) without interest and penalty.

**5. Charitable Donations**

Notwithstanding the provisions of Article 24(2) of the Income Tax Proclamation No.979/2016, a taxpayer shall be allowed a deduction for the amount of a donation made in response to a call issued by the Government to mitigate the impact of COVID-19, in an amount not exceeding 20% (twenty per cent) of the taxable income of the tax payer for the year.

**6. Pension Contributions of Business Organizations**

Notwithstanding the provisions of Article 11 of the Private Organizations Employees' Pension Proclamation No. 715/2011, pension contribution of organizations engaged in business due in the month of Megabit, Miazia and Ginbot 2012 (EC) shall be paid in the month of Sene 2012 (EC).

**7. Power to Issue Directives**

The Ministry is hereby empowered to issue directives for the proper implementation of this Regulation.

**8. Effective Date**

This Regulation shall be effective from 24<sup>th</sup> April 2020, the day it has been adopted by the Council of Ministers, throughout the period the Proclamation remains in force.

Done at Addis Ababa this 24<sup>th</sup> day of April 2020.

**Abiy Ahmed (Dr.)**  
**Prime Minister of the Federal Democratic Republic of Ethiopia.**