



Tax exemption for certain subsidies obtained by corporate entities

The following report may be of interest to:

All clients

Summary:

Royal Decree No. 747, which is effective from 25 May 2022, was issued to grant an income tax exemption to corporate entities that have obtained the following subsidies from the government sector:

- Subsidies under Section 33 of the employer and insurer's remedial programme for businesses affected by the control measures of the government in the areas of the country subject to the strictest and highest controls
- Subsidies under the promotion and job retention scheme for small and medium enterprises (SME) on the condition that the corporate entities do not treat expenses paid out of these subsidies as tax deductible.

These tax exemptions will apply in the accounting period in which the subsidies are obtained.



For further information, please contact:

Your regular PwC contact person