

Discontinuation of enforcement procedures in the course of state of danger

based on the Governmental Decree 57/2020 (23 March) on the enforcement measures to be taken during the state of danger declared for the prevention of the human epidemic endangering life and property and causing massive disease outbreaks, for the elimination of its consequences, and for the protection of the health and lives of Hungarian citizens

With the effect of 24th March 2020, the Government decided on additional facilitations to avoid making impossible for taxpayers in difficult economic situations to conduct their business operations. This decision makes it possible in several aspects to deviate from the Act on Enforcement Proceedings to be Implemented by the Tax Authority.

1. Discontinuation of enforcement procedure

Enforcement procedures pending before the tax authority on 24 March 2020 shall automatically discontinue until the 15th day following the end of the period of state of danger. Discontinuation of enforcement procedures means the discontinuation of term of limitation of the right to carrying out enforcement procedures as well.

It is not necessary for taxpayers affected with enforcement procedures to make any arrangement and **it is also not necessary for them to submit any claim for payment facility**.

However, **enforcement procedure can be initiated** against those taxpayers, against whom the NTCA did not before 24th March 2020 initiate yet an enforcement procedure because of their tax debts. In such a case and even before starting the enforcement procedure, the NTCA sends out first a payment informative notice to the taxpayer requesting him **to pay voluntarily** his tax debts. It is also possible for the taxpayer to submit a claim for payment facilities to the NTCA, even after receiving the payment informative notice (you can find further information on the <https://nav.gov.hu> webpage in the following downloadable pdf files: *Payment facilities for entities, private entrepreneurs* and *Payment facilities for private individuals, private entrepreneurs*).

On the 16th day following the end of the period of state of danger, if there is no other circumstance hindering the enforcement procedure, additional enforcement actions can be initiated.

2. Suspending enforcement procedure

The NTCA **may, on equity basis, suspend** those enforcement procedures as well, which are not covered by the discontinuation [Article 15, paragraph (3) of the Act CLIII of 2017 (Avt.)]. This possibility covers enforcement procedures being in progress against private individuals, private entrepreneurs and companies as well (you can find further information on the <https://nav.gov.hu> webpage in the following downloadable pdf file: *Suspending enforcement procedure*).

3. Withdrawal of official transfer order and garnishment of incomes

The NTCA makes arrangements to withdraw official transfer order (i.e. **collection**) issued before 24th March 2020. If the financial institution has already transferred to the NTCA the amount indicated in the official transfer order, the NTCA shall refund it within 8 days.

In the case of **garnishment of incomes**, if the employer has not remitted the enforceable amount until the starting day of discontinuation the NTCA informs the employer on suspension of deduction and the deducted amount shall be refunded to the taxpayer. Should the employer have already remitted the amount to the NTCA, the NTCA shall refund it to the taxpayer within 8 days.

4. Exemptions not covered by the discontinuation

Facilitations of the Governmental Decree do not concern either **execution of specified acts** based on decisions taken according to the General Regulation of Public Administration or **execution of specified acts based on tribunal requests**, consequently procedures continue in these cases even in the course of state of danger as well.

Procedures for the enforcement of claims arising from violating mandatory epidemiological measures prescribed during the period of state of danger mean also an exception to the discontinuation. This means that if somebody violates provisions provided by legal rules on epidemiological regulations needed for preventing communicable diseases and epidemics or for eliminating dangers of epidemics, the **health fine** assessed by the health public administration authority **is executable**.