

Suspending enforcement procedure

In the case of ongoing enforcement procedures, the law provides a possibility for the National Tax and Customs Administration (NTCA) to suspend these procedures **on equity basis** [Article 15, paragraph (3) of the Act CLIII of 2017 (Avt.)]. This possibility covers, besides enforcement procedures being in progress against private individuals, enforcement procedures being in progress against private entrepreneurs and companies as well.

Suspension of the enforcement procedure cannot take place ex officio but **on request of the debtor only**, in the case **if the debtor has verified the reasonable circumstance**. Such a reasonable circumstance can be, among others, payment difficulty or loss of income as well, which are in connection with the state of danger announced because of the spread of corona virus.

The NTCA **individually considers** involvement in epidemic situation or its effects **in the case of every request for suspension** and can suspend the entire enforcement procedure for a defined period of time or until a certain circumstance occurs. The NTCA **shall make a decision on suspension of the procedure in an order**.

It is an exclusionary condition, meaning that enforcement procedure cannot be suspended even if the other conditions are met, is that **procedural fine has been assessed** at the debtor in the course of the enforcement procedure.

The suspension in practice means the NTCA **does not initiate further enforcement actions (for instance official transfer order, seizure)** in the course of the suspension. The NTCA does not terminate enforcement procedure or does not release seizures made before the suspension, respectively. However, the NTCA withdraws the official transfer order and discontinues garnishment of incomes, which are possibly in progress when the suspension takes into effect. The procedure shall continue when the suspension terminates.

In the course of the period of suspension, **default interest** according to general rules **shall be paid** on debts with expired due dates and the period of suspension does not count into the term of limitation.

The claim for suspending enforcement procedure can either be submitted **on paper or electronically** (electronically in the case of taxpayer obliged to maintain his connection with the tax authority by electronic means), addressed to the tax and customs directorate carrying out the enforcement procedure. **No duty or fee shall be paid** for submitting the claim for suspension or **for making a decision** on it.