



COMPENSATION SCHEME FOR LOST REVENUE

The self-employed, freelancers, and companies with a maximum of 25 full-time employees may receive temporary compensation for loss of turnover or income due to the coronavirus disease/COVID-19.

The compensation period for loss of turnover or income is from 9 March, three or four months.

In order to apply for compensation for loss of turnover, must fulfill the following requirements:

Self-employed with CVR-number

- Your turnover has on average, been at least 10,000 DKK per month prior to the coronavirus disease/COVID-19
- You employ a maximum of 25 full-time employees. This means, for instance, that two part-time employees count as one full-time employee. The business owner and assisting spouse are not included in the number of employees
- You expect a decrease in turnover of at least 30% due to the coronavirus disease/COVID-19
- The compensation period for loss of turnover is from 1 September – 31 October, 2020

Freelancers with B-income

- Your B-income has, on average, been at least 10.000 DKK per month prior to the coronavirus disease/COVID-19
- You expect a decrease in income of at least 30% due to the coronavirus disease/COVID-19
- The compensation period for loss of income is from 9 July – 31 October, 2020

Freelancers with A+B-income

- You expect a decrease in income of at least 30% (A+B-income) due to the coronavirus disease/COVID-19
- Your A+B-income has, on average, been at least 10.000 DKK per month in 2019 or 12 month prior the coronavirus disease/COVID-19 period
- B-income must at least be: 5.000 DKK per month, and A-income: no more than 20.000 DKK per month
- A-income occupation rate cannot exceed 55 %.

Who is covered by the scheme?

The scheme applies to smaller companies with a maximum of 25 full-time employees. In order to be covered by the scheme, the turnover must be at least DKK 15,000 per average month.

Please note that compensation must be repaid if you, as an independent, achieve a personal income of more than DKK 800,000 in 2020. A person (self-employed / business owner) can be compensated a maximum of once through this scheme. If you own several companies, you cannot be compensated for each individual relationship.

- You must own at least 25% of a company to receive compensation.
- Four owners who each own 25% will receive a maximum of DKK 23,000 per share. per month owner.



How much can your company get in compensation?

The compensation will cover 90% of your company's average loss in turnover/income per month, exclusive of VAT. Or 100% in the event of legally forced closure of your business.

However, the compensation to the business owner can be a maximum of DKK 23,000 per month and thus a total of 69,000 kroner for a period of three months.

Will I be taxed on my compensation?

The compensation is subject to taxes, and you must report the compensation to the Danish Tax Agency.

May I apply if I am a foreign business operating in Denmark?

You may apply if you are registered as a fully responsible participant in the company in the CVR register, and you have a CPR number.

How do I apply?

You can find the latest information about the compensation schemes on virksomhedsguiden.dk under the heading coronavirus/covid19.

Source:

<https://virk.dk/vejledning/virk-corona/kompensation-selvstaendige-freelancere>