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# Social Security approves a moratorium on contributions for 12 economic sectors

April 28, 2020

The [Official Gazette of the Spanish State](#) of April 28, 2020, published the Order regulating sectors that can request a moratorium on contributions corresponding to May, June and July 2020, which accrue between April and June 2020 in the case of companies (as previously approved under article 34 of Royal Decree-Law 11/2020, of March 31, and explained in our [Legal Flash](#)).

The main features of this measure are described below.

- > **Who can request the moratorium?** Companies whose economic activity is included in the CNAE (national classification of economic activities) codes and has not been suspended due to the state of emergency declared under Royal Decree 463/2020, of March 14 (see [Legal Flash](#)), can request a six-month moratorium on the payment of contributions.
- > **Which economic sectors does it benefit?** The sectors that can request the moratorium include retailers (not affected by the state of emergency), agricultural activities, carpentry and air conditioning installation, metalworking, publicity and graphic arts, dentistry, hairdressing and beauty (check the CNAE list [here](#)).
- > **What are the benefits of the moratorium?** It will allow the company to request the suspension or late payment of its employees' social security contributions for six months without applying any interest. For example, if the moratorium is granted, payments corresponding to May will be made in November (along with the contributions for November), and so on, respectively, for the following months.
- > **How is the request made?** It can only be made through the Social Security's RED system. The service to request the moratorium through the RED system will be open from May 1 to May 10, 2020. It will then reopen from June 1 to June 10, 2020; and July 1 to July 10, 2020.
- > **Is it compatible with debt deferral?** No. Royal Decree-Law 15/2020 ([Legal Flash](#)) specifically states that the deferral of social security debts (regulated under article 35 of Royal Decree-Law 11/2020) is incompatible with the request for the moratorium.



- > **What about companies affected by the suspension of business activity owing to the state of emergency?**
- Companies that have filed for a temporary redundancy plan (“ERTE”) on the grounds of *force majeure* can request exemption from the payment of the employer contributions for social security (involving a 100% or 75% exemption depending on the number of employees), which entails the company's commitment to maintain jobs for six months from the date the activity is resumed.
  - Companies that have not filed for a temporary redundancy plan on the grounds of *force majeure* and have no other deferred payment plan in force can request the deferral of their social security debts, the payment period being set between April and June 2020, with an applicable 0.5% interest rate, as provided under Royal Decree-Law 11/2020, Royal Decree-Law 15/2020 (*Legal Flash*), and in Gazette 8/2020 of RED News, issued by the General Treasury of Social Security.

Please get in touch with your usual contact person at Cuatrecasas for further information or to discuss the possibility of implementing any of these measures.

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Our Knowledge and Innovation Team continues to manage our collective knowledge in the most efficient way during these uncertain times to provide top-quality, innovative legal advice to our clients in all matters related to this crisis.

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