



Entrepreneurs and SMEs: whom to turn to in the Corona crisis? A compendium for emergencies like this

1. Where can I apply for short-time work?
2. How can I defer VAT and taxes, other duties?
3. How can I bridge a financial bottleneck?
4. How do I get unemployment insurance as a freelancer?
5. How do I plan for the future?

What is this about?

Many of our customers are currently asking us how they should deal with this exceptional situation. The official lock-down of Switzerland brings up many legal issues, for example in tenancy law, labour law, dealing with the authorities for short-time work, compensation, also how financial bottlenecks can be bridged, and in general how to proceed after this crisis. Here is our briefing for you. Even during this testing time, we are there for you both physically and virtually, *but not virally!*

1. Where can I apply for short-time work?

If there is an adequate causal link between the virus and short-time work, the corresponding applications can be submitted to the cantonal employment office by post or by inserting a letter. In Zurich the office for economy and labour (“AWA”) is responsible. Due to the virus, their counters are closed. A hotline is being set up, but is not yet activeⁱ. The deadline for pay-out was reduced to one day. Affected employees then receive 80% of their wages, limited to twelve months. Jobs must be guaranteed for the reference period.

2. How can I defer VAT and taxes, other duties?

Both Cantonal and federal authorities have issued a directive to treat applications benevolently. A personal call, letter, or email to the appropriate authorities with description of the personal situation helps, showing the connection to Covid-19. If bankruptcy has already occurred, the Substitute Occupational Benefit Institution can take over the failed occupational benefits insurance (“BVG”) contributions in favour of the employees, but of course this should not be the aimⁱⁱ.

3. How can I bridge a financial bottleneck?

The Confederation guarantees loans amounting to CHF 580 million and bears the risk premium and application costs. The Canton added a similar package. This should also benefit small businesses. Applications should be made to the house bank or the ZKBⁱⁱⁱ. The Federal Council banned all debt enforcement operations in Switzerland until April 19, 2020, which can provide relief in the short term^{iv}. We recommend, however, asking for a deferral.



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4. How do I get unemployment insurance as a freelancer?

Self-employed entrepreneurs are not entitled to unemployment benefits. However, directives were issued to allow extra-ordinarily an application to be put in with the regional employment agency (“RAV”) and present your case and connection to Covid-19.

5. How do I plan for the future?

All companies, especially those that are subject to regulatory oversight, such as external asset managers, investment funds, and collective investment schemes, should have an updated Business Continuity Plan. This plan should provide an overview how all operational processes were checked for their resilience in times like these. Particular attention should be paid to what happens when offices are not allowed to be entered for a long time and how communication with customers and stakeholders takes place.

Further questions?

The team at Lindemann Rechtsanwälte is at your disposal, also by email, as below.

ⁱ <https://awa.zh.ch/internet/volkswirtschaftsdirektion/awa/de/arbeitslosenversicherung/kurzarbeit/KurzarbeitCoronavirus.html>, online, 18.3.20
ⁱⁱ https://web.aeis.ch/DE/static_pages/37/News/6, online, 18.3.20
ⁱⁱⁱ <https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-78482.html>, online, 18.3.20
^{iv} <https://www.srf.ch/news/wirtschaft/ladenschliessung-wer-zahlt-seco-richtet-hotline-fuer-unternehmen-ein>, online, 18.3.20