

On behalf of the entire governing cabinet, Consell de Formentera president Alejandra Ferrer signed an initial decree ordering new economic and tax policy measures to contend with the social and economic toll of the coronavirus public health crisis. “Swift action is needed now at every level of public administration”, said the president, “not to mention a joint, coordinated strategy to deal with the fallout as efficiently as we can. The threat this virus poses to people’s health and wellbeing needs to be at the forefront of all our minds”.

In an effort to offer badly-needed financial relief to people and businesses, the Consell de Formentera is taking action, first, by suspending the following:

- Collection during the voluntary pay period, for which the Consell is responsible.
- Notifications concerning public revenue payments.
- Validation of lists detailing monthly tax and government-regulated fee collection.
- Referral to Balearic Islands Tax Office (ATIB) of public revenue payments outstanding as of voluntary pay period.

The Consell will petition the ATIB to extend the period for voluntary payment via bank-to-bank transfer of recurring taxes (initially scheduled 1 August to 1 October). This includes the following:

- *Economic activity tax
- *Special-characteristics real estate tax
- *Rural real estate tax
- *Urban real estate tax
- *Mechanical traction vehicle tax
- *Bicycle tax
- *Occupation of public thoroughfare tax
- *Waste collection tax
- *Access rights for entrances/exits tax

The decree likewise dictates that, from the invocation of the state of alarm through to its rescindment, applicability assessments of taxes and fees collected by the Consell de Formentera will cease. Such taxes and fees have not been referred to the ATIB for collection, save for those related to still-operational services considered essential.

Stimulus for family and social welfare support

Payout of social welfare and family support claims will be prioritised, as will payments to the administration's service providers, without prejudice to priorities already set out in high-ranking regulatory guidelines. "We intend to look after the individuals and families whose situations entail true vulnerability", said the president.

Necessary changes will also be made to tax ordinances and municipal service fees in an effort to mitigate the negative impact of the health crisis on local economic, social and productive structures.

"This first decree will be followed by others more specifically targeted and adapted to the circumstances. Insofar as the local government's jurisdiction is concerned, extraordinary measures are in order as regards tax levying and public revenue collection. Our top priority is to lessen the fiscal knock-on effects borne by families and businesses, the aim being to facilitate a return to normalcy as soon as the public health situation improves."

"Considering the grinding halt in which Formentera's social and economic structures are currently locked, clearly very affected by the limitations imposed under the state of alarm, we propose this first package of economic measures", said Ferrer, describing the steps as "products of the continuous back-and-forth between the various arms of local government, not to mention the island's range of economic and business stakeholders. They are aimed at helping these actors attain maximum efficiency and adapt to the local economic reality."

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**Department of Communications
Consell de Formentera**