

TAX RELIEVES II

Dear Clients and Business Partners,

Please find enclosed information on the latest legislative measures in the tax area resulting from the current epidemiological situation.

1 APPROVED MEASURES

- **Income tax:** General remission of the advance due on 15 June 2020 applicable to both natural and legal persons.
- **Tax on acquisition of immovable assets:** Remission of sanctions for late submission of a tax return and for late payments of the tax due in the period from 31 March to 31 July 2020, if the tax liability is discharged by 31 August 2020.
- **Administrative charges:** Remission of administrative charges for the acceptance of an application for tax refund upon import, remission of custom duty underpayments, or permission to obtain tax relief in relation to taxes and custom duties upon import.
- **Carer's allowance for self-employed persons:** The state will provide financial contribution to self-employed persons who have stayed at home to take care of children aged 6 to 13 years, if the carer's allowance has not been drawn by another family member. The allowance should amount to CZK 424 per day.

The measures specified above primarily address deferral of tax payments rather than withdrawal of tax liability. We wish to draw attention to the possibility to apply for remission of already paid income tax advances, and/or for deferral of other taxes' payments.

2 PLANNED MEASURES

- **Income tax:** Retrospective application of losses of 2020 against tax liability for 2018 and 2019 (latest development: the plan has been approved by the Czech Government, the Finance Ministry is preparing an amendment to the Income Tax Act).
- **Electronic registration of sales:** Cancellation of the duty to electronically register sales throughout the state of emergency and over the next three months after the end thereof (latest development: approved by the Senate, waiting for the signature of the Czech President).
- **Insurance premium of self-employed persons:** Partial remission of advances for pension and healthcare insurance for March through August 2020, reduction in the insurance premium for pension insurance for 2020, extension of the deadline for filing of the income statement to the



healthcare insurance company by 3 August 2020 (latest development: approved by the Senate, waiting for the signature of the Czech President).

Please feel free to contact us, if you need more detailed information.

Your LTA team