

PETERKA PARTNERS

THE CEE LAW FIRM

CZECH GOVERNMENT CORONAVIRUS-RELATED MEASURES FOR SELF-EMPLOYED

1. Personal income tax

- a) General waiver of penalties and default interest for the late filing of personal income tax returns and tax payment until 1 July 2020 at the latest;
- b) Abolishment of advance payment of 2020 personal income tax due 15 June 2020; possibly resulting in higher underpayment in 2021;
- c) Loss carryback – tax loss recorded in 2020 may be off-set against income tax liabilities for 2018 and 2019 – this revolutionary measure needs to more precisely specified and is subject to approval by Parliament.

2. Compensation bonus of CZK 25,000 for the period of 12 March to 30 April 2020. Not subject to tax and contributions.

3. A paid care allowance of CZK 424 per day, subject to conditions.

4. EET – Suspension of electronic reporting of sales (all phases) until three months after the end of the state of emergency.

5. ANTIVIRUS Programme – partial (60% or 80%) compensation of wage expenses, up to CZK 29,000 or CZK 39,000 per month and employee employed by the individual entrepreneur

6. Social security

- a) Monthly prepayments for social security insurance premiums for the period from March to August 2020 will not have to be paid;
- b) The annual premium for 2020 will be reduced (by CZK 2,544 for a person's primary activity or CZK 1,018 for their secondary activity) for each month between March and August;
- c) The annual 2019 reconciliation may be filed and underpayment may be paid until 3 August 2020 without any sanctions.

7. Health insurance

- a) Monthly prepayments for health insurance premiums for the period from March to August 2020 will not have to be paid;
- b) The annual premium for 2020 will be reduced by CZK 2,352 for each month between March and August;
- c) The annual 2019 reconciliation may be filed and underpayment may be paid until 3 August 2020 without any sanctions.

* * *

This document reflects the status as of April 17, 2020.

This document is for informational purposes only and may not be considered a legal opinion or advice on how to proceed in a particular case.