



## Information for clients

Czech Republic  
October, 30<sup>th</sup> 2020

### COVID-19: Further government support

*Due to the current situation in connection with COVID-19, further state support measures have been decided.*

#### Support for childcare

The **care allowance is paid retrospectively** for the entire duration of the immediate measures in connection with COVID-19. This means that the entitlement exists from the 1st day of childcare (due to school closure or quarantine order).

Parents are entitled to childcare allowance when **looking after a child under 10 years of age**.

Entitlement to childcare allowance also applies, without age restriction, to the care of dependent children who attend school and who are dependent on the care of another person (from class I) and, in the case of persons over 10 years of age, who depend on the care of another person depends, for example visit day care centers.

The amount of the childcare allowance is **70%** of the reduced daily assessment base, but at **least 400 CZK per day**.

In addition to employees, people who work under a work contract are also entitled to care allowance if they have been covered by social insurance for the past three months.

Entitlement to childcare allowance exists for the entire duration of the school closings. However, the entitlement expires upon termination of the employment relationship.

After the schools reopen, the childcare allowance will continue to apply to children who cannot attend school due to a family quarantine order.

[Crisis care allowance](#) (in Czech only)

#### Allowance for self-employed

As in the spring, there will be a compensation bonus for the self-employed and for small s.r.o. (with a maximum of two shareholders).

**Businesses** can apply for the compensation bonus if they are directly affected by the immediate government measures in connection with COVID-19 (**official closure of the business**) or if they are directly related (**e.g. suppliers**) and their activity is restricted by at least 80% and it is the applicant's main source of income.



The compensation bonus amounts to **CZK 500 per day** of the official closure of the business or the direct prevention or restriction of business operations for the period of the state of emergency **from October 5, 2020**.

People who work under a contract for work and services can also apply for the compensation bonus, provided that they have carried out this activity for at least three months in the last four months.

The compensation bonus cannot be combined with other allowances such as COVID-rent, COVID-culture or COVID-care allowance.

Applications for the compensation bonus can be submitted to the local responsible tax office. It is possible to submit applications two months after the end of the state of emergency.

*Note: The relevant draft law is currently in the approval process.*

### COVID III extended until 2021

The COVID III program was extended until the end of 2021.

The terms of the program remain unchanged. The **only change is that the loans can now also be used to finance investments**.

The original terms of the Covid III program can be found in our previous client information at [COVID-19: Guarantee COVID III](#)

### Postponement of the EET obligation

All 4 EET phases will be postponed again, this time until 1.1.2023.

During this period, the obligations under the Electronic Registration Act will be abolished.

### Deferral of tax payments for closed businesses

According to the notification of the Ministry of Finance No. 25/2020, companies that, due to the immediate measures in accordance with Government decision No. 1079 had to close from October 21, 2020 (retail stores, service providers, ...), have the possibility of postponing certain tax payments.

**If these entrepreneurs inform the tax office** that they are subject to this ordinance, they

will be exempted from default interest for late payment of the VAT for September, October, November 2020 (or for the 3rd quarter of 2020), provided that the VAT is paid no later than December 31 .2020. In addition, it is not necessary to pay the advance income tax payment due by December 15, 2020 and the advance payment for road tax.

It is therefore the same type of support that operators of restaurants, cinemas, theaters and other cultural events that were closed by a previous government decision have previously received. We have informed you about this [here](#).

For the AUDITOR-Team

**Iva Tolde**  
**Head of the Payroll Department**  
T: +420 224 800 422  
E: [iva.tolde@auditor.eu](mailto:iva.tolde@auditor.eu)

**Ing. Marta Prachařová, LL.M.**  
**Head of the Tax Department**  
T: +420 224 800 458  
E: [marta.pracharova@auditor.eu](mailto:marta.pracharova@auditor.eu)

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*For more than 25 years on the  
Czech market.*

#### Contacts

Mag. Georg Stöger  
**International Tax Law**

Marie Haasová  
**Czech Accounting  
Legislation**

Ing. Jan Šimerka  
**Statutory Audit, IFRS**

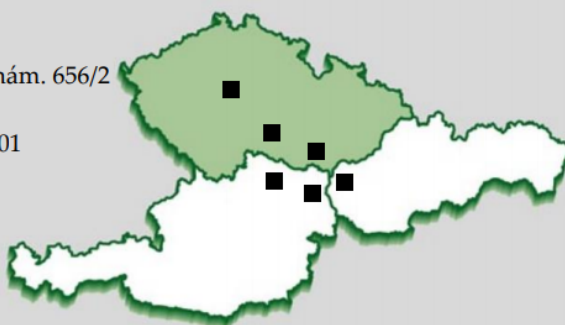
Ing. Marta Prachařová  
**Czech Tax Law**

Iva Tolde  
**Personnel and Payroll  
Agenda**

**Office Prague**  
Haštalská 6  
110 00 Praha 1  
T: +420 224 800 411

**Office Brno**  
Palác JALTA  
Dominikánské nám. 656/2  
602 00 Brno  
T: +420 542 422 601

**Office Pelhřimov**  
Masarykovo nám. 30  
393 01 Pelhřimov  
T: +420 565 502 502



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