



## Information for clients

Czech Republic

June, 12<sup>th</sup> 2020

### COVID-19: Further tax measures

*The Ministry of Finance has released additional tax measures to mitigate the impact of COVID-19 on businesses.*

#### Income tax return for 2019

The submission of **the income tax return for 2019** (resp. the payment of the tax) can be made without penalties **until August 18, 2020**.

This applies to companies that should submit their tax returns by March 31 resp. by June 30.

We recommend to companies with deviating fiscal year to submit an individual application to extend the deadline.

#### Tax-exempt notification

Natural persons can report their tax-exempt income of more than CZK 5 million without penalty to the tax office **by August 18, 2020 at the latest**.

#### Real estate acquisition tax

The filing of **tax returns for the acquisition of real estate** (resp. the payment of the tax), which was originally due within the period from March 31, 2020 to November 30, 2020, can be

carried out without penalty **until December 31, 2020 at the latest**.

#### No VAT on certain donations

Donations of protective equipment (respiratory masks and other protective means, thermometers, selected medical devices and materials) or material for their manufacture are exempt from VAT. In addition, donations of raw materials for the production of disinfectants to authorized manufacturers or donations of selected disinfectants and alcoholic products are also exempt from VAT.

The donor **is entitled to input tax deduction**. The relief applies to **donations from March 12, 2020 to July 31, 2020**.

#### No default interest for late tax payments

Default interest for the period from March 12 to December 31, 2020 is automatically waived if the tax office has approved a deferral of the tax payment based on an individual application due to COVID-19.

## No administration fees

There are **no administrative fees for tax office applications in the following matters until December 31, 2020**:

- waiver of default interest or deferral interest,
- waiver of penalties for not submitting a control report if the tax office requested it between March 1 and July 31, 2020,
- requests for tax deferral or installment payments,
- issue a certificate of debt-free status or personal account balance.

## What can be expected in the near future?

The amendment of the income tax law is currently still in the approval process, which would allow, among other things, the application of the 2020 tax loss to the tax base of 2018 and 2019 (loss carry-back). The new program "Antivirus C" is also in the approval process. Part of the employer's social security contributions should be waived. In addition, the terms for the COVID rent program should be announced by the Ministry of Regional Development in the coming days.

For the AUDITOR-Team

Ing. Jana Šnajdrová  
Tax department  
T. +420 224 800 416  
[jana.snajdrova@auditor.eu](mailto:jana.snajdrova@auditor.eu)

Data presented in this publication is informative in character and does not replace legal, economic or tax consultancy. Consultancy requires knowledge of the particular cases and assessment of all relevant facts. We claim no responsibility for decisions that the user makes based on this material.



*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**

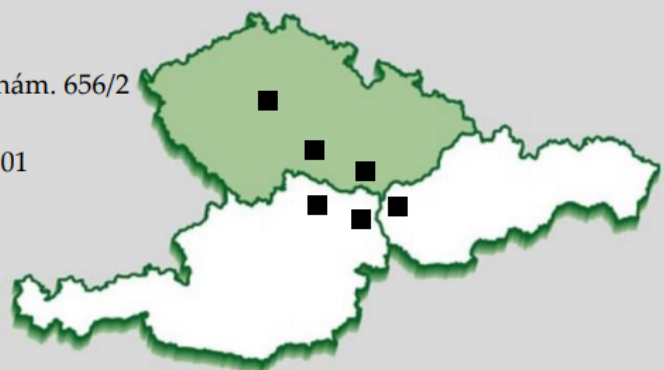
Ing. Marta Prachařová  
**Czech Tax Law**

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



More information on [www.auditor.eu](http://www.auditor.eu)

[www.auditor.eu](http://www.auditor.eu)

An independent member of UHY International, an association of independent accounting and consulting firms