



Client Information

Czech Republic
17, March 2020

Government tax package, loans to entrepreneurs from the Czech-Moravian Guarantee and Development Bank

Government tax package

In response to the situation caused by coronavirus, the Ministry of Finance has published a package of measures to mitigate the impact on entrepreneurs:

Deadline for filing income tax returns

The 2019 corporate and personal income tax return can be sent to the tax office **without penalty until 1 July 2020** and at the same deadline the tax is due, even though the original date was 1 April 2020.

No fine for late submission

All entities to whom the tax office at least partially forgives interest on late payment (or allowed to delay payment of tax or installment of its payment in installments) *will be automatically remitted also for late filing of the tax return.*

In the application for remission of interest (or for delaying the payment of the tax or the distribution of the tax payment in installments), it is necessary to specify which taxes are applicable. These applications will not be subject to stamp duty until 31 July 2020.

We would be happy to help you prepare an application for a tax deferral or installment payment.

VAT Control statement

In addition, VAT payers will automatically be exempted from the fine of CZK 1,000 for late submission of a control report if the payment obligation arose between 1 March and 31 July 2020.

Penalty for failure to submit an audit report in the amount of CZK 10,000 - 50,000 (these are situations where the tax entity submits an audit report after the tax administrator's request or fails to submit at all) will be assessed, but it will be possible, at the request of the taxpayer, in justified cases, to waive this fine.



EET

Entrepreneurs do not have to worry about any sanctions by 31 July 2020 if they fail to implement EET in time. The Financial and Customs Administration will only perform an advisory function during any inspections.

Interest-free loan for businesses affected by coronavirus

The aim of this program is to facilitate access to operational finance for SMEs when their economic activities are limited due to the occurrence of coronavirus infection and related preventive measures. Interest-free loan with postponement of installments for entrepreneurs affected by coronavirus will be provided by the Czech-Moravian Guarantee and Development Bank (ČMZRB).

The acceptance of COVID Loan applications will start on Monday, 16 March 2020.

All bank branches of the ČMZRB will accept applications exclusively through the E-Mail Room. For details, including frequently asked questions and answers, see <https://www.cmzrb.cz/podnikatele/uvery/uver-covid/>.

We will be pleased to prepare the documents required for the approval of the loan.

For AUDITOR team

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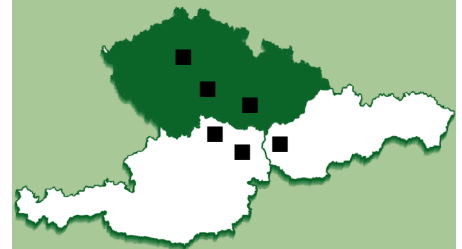
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