



## Informations for clients No. 4

Czech Republic  
September 2017

### Country-by-Country-Reporting

*The amendment to the Act on International Cooperation in Tax Administration brought new obligations for companies belonging to a multinational group of companies.*

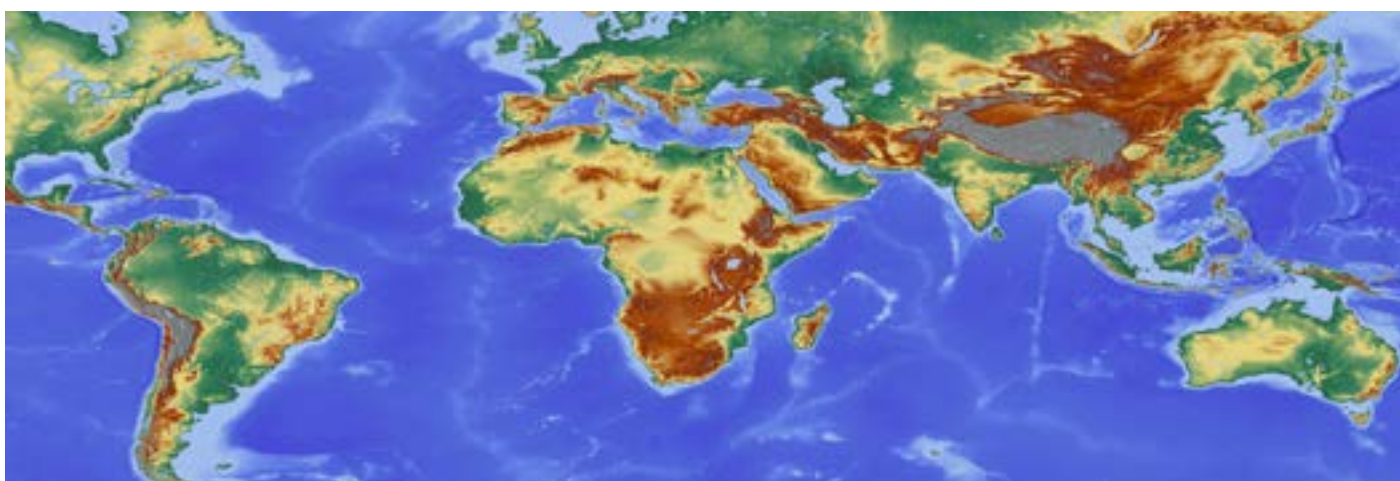
*The following information is primarily for companies that are part of a consolidated group, reaching more than 750 mil. EUR turnover.*

*A deadline for fulfilling the first obligations is set to October 31st 2017.*

With the amendment to the Act on international cooperation in tax administration<sup>1</sup>, which came into force on 19th September 2017, the Czech Republic implemented the Directive of the European Union BEPS Action 13 about the mandatory automatic exchange of information reported by multinational groups of companies, the so-called country by country reporting.

Multinational groups of companies whose total consolidated turnover of the previous period amounted to EUR 750 000 000 are subject to the new obligations. Single companies of such groups based in the Czech Republic should state the reporting company of the group incl. the country of its jurisdiction, in a form of a notification. The reporting company is then obliged to submit a report, which will include basic economical information required by law and broken down by countries and companies.

Both the required notification and the report should be submitted electronically only, on forms which will be published on the finance administration web-portal. The Specialized Financial Office is always the respective locally competent tax authority.



<sup>1</sup> Act No. 164/2013 Coll. in the current version



The deadline for submitting the notification of the reporting company for all periods that ended before October 31st 2017 is October 31st 2017. The deadline for submitting the country by country reporting is 12 months after the end of the respective reporting period.

If your company is part of a multinational group of companies, we kindly recommend you to verify whether you are obliged to report or give a notification. Please

pay attention to the dead line October 31th, 2017, for submitting the notification of the reporting company.

The Act sets penalties for a non-fulfillment of the imposed obligations in the form of fines, which can range up to CZK 1,500,000.00.

We will be happy to assist you with preparing and submitting the notification.



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