

Liberal Aid Package No. 2



Dear Clients,

we would like to inform you that the Government of the Czech Republic approved the bill of the Ministry of Finance this week to adopt further tax measures in connection with the extraordinary event caused by the spread of the coronavirus (so-called Liberal Aid Package No. 2). We briefly present the individual proposed measures in the following summary:

Income tax advances

The Ministry proposed a blanket waiver of the June personal and corporate income tax advances (the second advance of quarterly taxpayers or the first advance of half-yearly taxpayers). Therefore you will not be obliged to pay this July advance and will pay any arrears as part of the tax return for 2020.

Electronic registration of sales

The government Bill on some changes in the registration of sales in connection with the announcement of a state of emergency takes into account the suspension of the obligation to electronically register sales for all registered payers falling into all stages of sales registration, for the period of the state of emergency and the following three months after it ends.

Tax loss

It is proposed introducing a tax loss carryback mechanism based on which personal and corporate income taxpayers will be able to carryback the loss for the tax period of 2020 in the tax return for 2018 or 2019 in the form of an additional tax return for this previous tax period.

Real estate acquisition tax

The Ministry proposed a blanket waiver of the fine for the late filing of a real estate acquisition tax return and for the late payment of tax or advance on this tax and simultaneously a waiver of interest in arrears or postponed interest on this tax for the tax return with a filing deadline in the period from 31 March to 31 July. This measure means an extension of the deadline for filing the tax return by 31 August.

The government amendment to the Act on Electronic Registration of Sales was discussed on Tuesday, 24 March at a shortened meeting and approved by the Chamber of Deputies. It will be promulgated once it is approved by the Senate and signed by the President of the Republic, and come into effect on the day of promulgation. The Financial Administration should publish the particulars and detailed conditions of other proposed measures in the next few days.

- Adam Pindřák a Jakub Štefáček -



Jiří Zoubek

Tax Partner
+420 296 152 261

jiri.zoubek@cz.gt.com