

Summary of tax measures in connection with the extraordinary situation caused by the spread of coronavirus (SARS-CoV-2)

In connection with the extraordinary situation caused by the spread of the SARS-CoV-2 virus, the Ministry of Finance prepared the following measures, which will be further complemented and updated, if necessary.

I. General pardon of the accessories to taxes and fees

- In accordance with Section 260(1)(b) of the Tax Code, the minister of finance will issue the so-called general pardon of any **accessories to taxes and administrative fees**
 - o **pardoning of penalty for belated tax declaration** in all cases of individual pardoning of default interest or postponement of payment of tax due to reasons related to coronavirus upon taxpayer's request
 - o **pardoning of accessories for the income tax** in order to ensure the toleration of belated filings of tax declarations and payment of taxes until July 1, 2020
 - o **pardoning of penalties for belated filing of control reports** in the amount of CZK 1 000, which arose between March 1 and July 31, 2020
 - o **pardoning of administrative fee** for filing of requests for postponement of payment of tax or payment of tax in arrears, requests for pardoning of default interest or postponed amount, as well as requests for pardoning of payment for failure to file a control reports, for all requests filed between the date of effect of the general pardon and July 31, 2020

II. Adjustment of methodology

- the General Financial Directorate shall issue a **methodical instruction** reflecting the possibility of individual pardon of default interest, interest from postponed amount, and penalty for failure to file a control report due to reasons related to the extraordinary event caused by the spread of the SARS-CoV-2 virus
- the methodically governed authorities will be instructed to proceed with **maximum helpfulness and tolerance** in relation to the taxpayers and their individual situations, in particular in cases where discretion in the enforcement of obligations and imposing of sanctions is possible (penalties in the area of sales registration, penalties for failure to file declarations, etc.)

III. Informing the public of possibilities to alleviate adverse effects of the current situation

- the Ministry of Finance and the General Financial Directorate, in collaboration with the unions of entrepreneurs, shall ensure **maximum possible information service** related to the instruments available for the purposes of alleviating the adverse effects of the current situation caused by the spread of the SARS-CoV-2 virus
- such instruments include especially:
 - o right to file request for **postponement of the payment of tax**
 - o right to file request for **modification of the amount of advances on tax or for granting of an exception from the obligation to pay advances on tax**
 - o right to file request for **pardoning of interests and penalties** for not filing a control report

- right to file request for **prolongation of deadlines** for filing a tax declaration (and, consequently, for payment of tax)
- at the same time, information on possibilities available to the taxpayers to avoid the necessity of personal visit of the authorities (electronic filing, wireless payments, setting-up of data box, using a proxy) will be published