

RELIEF AND COMPENSATION FOR SELF-EMPLOYED PERSONS TO MITIGATE THE EFFECTS OF THE PANDEMIC

Status as of 4 January 2022, 13:00 (to be updated)

AUTUMN - WINTER 2021

Compensation bonus

- ▶ In December 2021, a law from the Ministry of Finance on the compensation bonus came into force, which, as in earlier waves of the pandemic, aims to compensate **self-employed persons and partners of small, limited liability companies** (with a maximum of two partners, or family businesses).
- ▶ Once the conditions are met, the compensation bonus will be paid for each day in the amount of CZK 1,000 per day for self-employed persons or partners in an LLC. Self-employed persons in quarantine or isolation are always entitled to at least CZK 500 per day. Workers on an agreement outside employment can also apply for the same amount.
- ▶ As before, the business must be **the main source of income** for the bonus claimant.
- ▶ For the time being, the law provides for two bonus periods. The first **from 22 November to 31 December 2021**, the second **from 1 January to 31 January 2022**. The government may subsequently establish further bonus periods by regulation in 2022 in light of developments.
- ▶ Those eligible for a compensation bonus are those whose income falls by at least 30% in the bonus period versus the comparison period, which is any three consecutive calendar months from June to October 2021.
- ▶ An exception is made for seasonal self-employed workers who cannot operate during the summer. They will compare their

income in the bonus period with their income from 1 November 2019 to 31 March 2020 (i.e. the period before the pandemic started).

- ▶ Applications may be submitted no earlier than the end of the bonus period and **no later than two months** after the end of the relevant bonus period. It will therefore be possible to apply for the first bonus period until the end of February.
- ▶ Applications can be submitted [online](#), by e-mail, by data box, by post or in person at the tax office.
- ▶ All further information on the compensation bonus can be found on the website of the Ministry of Finance [here](#).