

RELIEFS AND COMPENSATION FOR SELF-EMPLOYED PERSONS TO ALLEVIATE THE EFFECTS OF THE PANDEMIC

Status as of 4 November 2020, 5:00 PM (will be continuously updated).

AUTUMN 2020

- ▶ The legislative process has ended in a government proposal to renew the compensatory bonus of CZK 500 per day for self-employed persons and partners of small limited liability companies (with a maximum of two partners or family businesses).
- ▶ The compensation bonus will be paid for each day of closure or direct disabling or restriction of the business. So far, two bonus periods are planned. The first from 5 October to 4 November 2020 and the second from 5 November to 21 November 2020.
- ▶ On November 4, the tax authorities started receiving applications for the payment of a compensatory bonus.
- ▶ Businesses will be able to apply for up to CZK 15,500 within the first bonus period and up to CZK 8,500 within the second bonus period.
- ▶ To draw the right, the predominant activity of the business must be in a sector which was directly closed because of the government restrictions. No other condition (e.g. concurrence with employment) will be examined. The decisive period from the point of view of the assessment of the dominant source of income is the period from 1 June to 30 September 2020.
- ▶ Businesses whose activities have been limited or completely suspended due to government measures can apply for a compensation bonus.
- ▶ Businesses that are significantly linked to directly closed sectors (e.g. the main customers of their services come from these sectors) are also entitled to the compensation bonus. The condition is that the activities of these related sectors have been limited by at least 80% for the decisive period from 1 June to 30 September, and this income constitutes the majority source

of livelihood for which there is no easy substitute. Examples are trainers in gyms.

- ▶ An application for a compensation bonus can be submitted no later than two months after the end of the bonus period. The application can be submitted by data box, but also by e-mail.
- ▶ The compensation bonus should be paid within days of the date of application. Again, it is sufficient to sign a solemn declaration of fulfilment of the conditions for entitlement to this bonus.
- ▶ The Ministry of Finance has prepared FAQs for the compensation bonus. You can find them [here](#).

Postponement of EET to 1 January 2023

- ▶ All four phases of EET are postponed until 1 January 2023.
- ▶ Businesses can register their sales voluntarily.
- ▶ More about the EET postponement [here](#).