



# TAX NEWS

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Dear Clients and Business Partners,

We have prepared the January 2013 issue of our Tax News for you. We believe that the reported pieces of information will be interesting and valuable for you. Should you have any questions, please, do not hesitate to contact us whenever you like.

With best regards

LERIKA Team

## CHANGES IN COMPENSATION FOR TRAVEL EXPENSES

In 2013, there are changes in compensation for travel expenses provided to employees on business trips –per diem meal allowances are increased, while the compensation for the use of vehicles is reduced and the average price of fuel is increased. Also the international subsistence allowances are changed.

### Changes in rates set for inland business trips

For each calendar day of a business trip **the employee in the business sector** is entitled to get the meal allowances at least in the value of:

- **CZK 66**, should the business trip take from 5 to 12 hours,
- **CZK 100**, should the business trip take more than 12 hours but not longer than 18 hours,
- **CZK157**, should the business trip last more than 18 hours.

**Employees in the state, public and subsidized sector** are entitled for each calendar day of a business trip to get meal allowances in the value of:

- **CZK 66 - 79**, should the business trip take from 5 to 12 hours,
- **CZK 100 - 121**, should the business trip take more than 12 hours but not longer than 18 hours,
- **CZK 157 - 188**, should the business trip last more than 18 hours.

### Change in the rate of the basic compensation for the use of motor vehicles

The rate of the basic compensation for the use of motor vehicles in 2013 is **CZK 3.60** per 1 km driven.

### Change in the average price of fuel

The average price per 1 litre of fuel for employees totals:

- **CZK 36.10** for automotive petrol 95 octane,
- **CZK 38.60** for automotive petrol 98 octane,
- **CZK 36.50** for diesel.

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### Tax | Accounting | Payroll

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### *Change in rates set for business trips abroad*

The most significant change is the change in the basic rate of the international subsistence allowances for **Slovakia** (unified for Central European countries from EUR 30 to EUR 35), the rate decrease for **Estonia** (from EUR 45 to EUR 40) as well as the rate decrease for the countries of the former Yugoslavia (**Croatia, Serbia, Bosnia and Herzegovina, Montenegro** from EUR 45 to EUR 35).

The basic rates of the international subsistence allowances set for 2013 are reachable at the following reference: [http://www.mfcr.cz/cps/rde/xchg/mfcr/xsl/cestovni\\_nahrady\\_74146.html](http://www.mfcr.cz/cps/rde/xchg/mfcr/xsl/cestovni_nahrady_74146.html).

## THE OBLIGATION TO REPORT THE NUMBERS OF BANK ACCOUNTS

Both the new and existing VAT payers are obliged to report their all bank accounts used in the frame of their business activities to the tax administrator and simultaneously to report the bank accounts that are to be published. The new payers (i.e. these registered as after 1<sup>st</sup> January 2013) on the date of their registration and those existing **by 28<sup>th</sup> February 2013 at the latest**.

As of 1<sup>st</sup> April 2013 the tax administrator shall publish the accounts in the database called "Register of VAT payers" where the recipients of supplies will be able to verify the published account numbers of providers of taxable supplies. From 1<sup>st</sup> April 2013 also the liability of the recipient of the supply will apply in the event that the recipient shall make the payment for the supply to the bank account other than the published account of the supplier.

The existing VAT payers report their bank account numbers by using the form "**Report on the change of the registration data/Application for deregistration**" No.25 511 MFin 5111 – type No.1 that is available on the website of the Czech Tax Administration: [http://cds.mfcr.cz/sys/cds/scripts/tiskopisy/tiskopisy-pdf2013/5111\\_1.pdf](http://cds.mfcr.cz/sys/cds/scripts/tiskopisy/tiskopisy-pdf2013/5111_1.pdf).

The payers who are VAT registered after 1<sup>st</sup> January 2013 report their bank account numbers to the tax administrator at the registration i.e. by using the form "Application for VAT registration".

## DIRECTIVE GFŘ-D-14 ON DETERMINATION OF UNIFIED FOREIGN EXCHANGE RATES FOR TAXATION PERIOD 2012

On 7<sup>th</sup> January 2013 the General Financial Directorate issued the new Directive GFŘ-D-14, where it lays down for the income tax purposes unified exchange rates for the conversion of foreign currencies for 2012 for all tax payers who do not keep accounting.

The mentioned Directive is available at the following reference: <http://www.mfcr.cz/cps/rde/xbcr/mfcr/PokynGFR-D-14.pdf>.

## PAYMENT OF TAX TO INCORRECT ACCOUNT

As we have already informed you, as of 1<sup>st</sup> January 2013 the bank account numbers of the Financial Offices are changed especially their registry part. According to the notification of the General Financial Directorate the payments sent to the original bank account numbers of the Financial Offices are in this moment already redirected to the newly set up accounts. This automatic transfer should work minimally throughout the whole 2013. Therefore, should the payment mistakenly be made to the old bank account number, no sanction for the tax subject is expected to be imposed. Nevertheless we recommend you the new bank account numbers to be used for the payments of taxes in 2013.

All information regarding the payment of taxes in 2013 is reachable on the website of the Czech Tax Administration: [http://cds.mfcr.cz/cps/rde/xchg/cds/xsl/placeni\\_dani\\_17014.html](http://cds.mfcr.cz/cps/rde/xchg/cds/xsl/placeni_dani_17014.html).

# „TAX TO BE PAID BY CUSTOMER“

According to the provision of Section 29, Paragraph 2, Letter c) of the VAT Act No.235/2004 Coll., as of 1<sup>st</sup> January 2013 the notification “Tax to be paid by customer” has to be stated on the tax document, should the obligation to declare the tax be with the recipient of the taxable supply. In the case of services received from persons resided in other Member States, the text “Tax to be paid by customer” should reciprocally be stated on the received tax documents related to the services, nevertheless in the language of the person providing the service. Below we present an unofficial list of single language versions of this text. As soon as the official versions are published by the Czech Tax Administration or by the European Commission, we shall inform you immediately.

State	"Tax to be paid by customer"
Bulgaria	обратноначисляване
Denmark	omvendtbetalingspligt
Estonia	pöördmaksustamine
Finland	käännettyverovelvollisuus
France	Autoliquidation
Italy	inversionecontabile
Lithuania	Atvirkštinis apmokestinimas
Latvia	nodokļa apgrieztais maksājums
Hungary	fordított adózás
Malta	Inverżjonital-ħlas
Germany	Steuerschuldnerschaft des Leistungsempfängers
Netherlands	Btwverlegd
Poland	odwrotne obciążenie
Portugal	Autoliquidação
Romania	taxare inversă
Greece	Αντίστροφη επιβάρυνση
Slovakia	preneseniedaňovej povinnosti
Slovenia	Reverse Charge
Spain	inversión del sujeto pasivo
Sweden	Omvändbetalningsskyldighet
Great Britain	Reverse Charge

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Even though due care is paid to the preparation of the tax news, please be aware that their contents are only meant to be informative. Therefore, we recommend that any action envisaged on the basis of the tax news be discussed with your counsel prior to implementation.

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