

CHECKLIST FOR AN SRO CORPORATE INCOME TAX RETURN

Please bring all documents on this checklist; it will greatly simplify the preparation of the Tax Return.

PERSONAL DATA OF THE DIRECTOR:

-copy / scan of passport

-copy / scan of visa / residence permit / **rodne cislo** with clearly readable address in Czech Republic OR

a document with your current residence address (especially when it is a foreign address),

Why: for checking your address and Tax ID – many people do not have no Tax ID (not registered at all) or do not notify a move (registered at the wrong tax office).

In both cases we will (re)register you at the tax office and need the correct address.

-copy / scan of the agreement of your bank account (else the tax office will not refund money)

*Note: it needs to be a **normal account (bezný účet) in CZK** – savings account (sporici účet) or not in CZK is not acceptable.*

SRO COMPANY DATA:

-copy / scan of extract of commercial court (vypis z obchodního rejstříku)

-copy / scan of Tax / VAT registration

-copy / scan of the Corporate Income Tax Return of the second last year and all accompanying documents

-copy / scan of the closing of the books of the second last year (Profit & Loss, Balance Sheet, Cash Book).

This lists all internal accounts on 31.12. Only the Tax Return is not enough – it does not contain enough detail to process last year's taxes.

SRO REVENUE:

-sales invoices issued in the previous year (also the ones that have not been paid yet, or will be paid in future)

-bank statements of the business account (no printed web pages, only pdfs or scans of paper statements)

-invoices, receipts, paragons of expenses made in the previous year (also the ones that have not been paid yet, or will be paid in future)

IN CASE OF CAPITAL GAINS:

-In case the bank will withhold taxes it will show on the bank account, and these taxes we do not have to declare again. In case the bank does not do this, we will need of these accounts (also foreign) the annual overview of received interests (or all bank statements, so we calculate the interests)

-documents / overviews of shares / dividends / other capital gains

IN CASE OF RENTAL INCOME IN CZECH REPUBLIC:

-proof of rental income (rental contract + bank statements) + vypis katastru of the rented property,

Preferred: an annual overview in XLS of received rent and received deposits for utilities (indicate also the months there was no rental income),

-proof of expenses for the rented property

Preferred: an overview in XLS of expenses for the rented property.

IN CASE OF OTHER (FOREIGN) INCOME (NOT MENTIONED ABOVE):

-agreements, contracts, bank statements or any other document proving that income

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IN CASE OF A COMPANY CAR:

-obligation to register your company car(s) at the tax office and file a road tax return – deadline is 25.1!

IN CASE OF CROSSING 1.000.000 CZK TURNOVER FROM CZECH SOURCES IN 12 MONTHS:

-obligation to register for VAT at the tax office and file monthly VAT returns.

IN CASE OF EMPLOYEES:

-obligation to file overviews of employee income at Tax Office, Social Office and Health Insurance. Deadline is 25.1!

IN CASE OF DIRECTOR ON A BUSINESS VISA:

-The director must have a regular source of income, in the form of a director's remuneration from the sro or other sources of income. Also he must file a personal income tax return in order to extend a business visa. Income should comply to rules by the Ministry of Interior.

Important final words:

-CZ employers usually do not file a tax return for personnel (they are not obligated) and therefore they miss out on tax benefits. Everybody is entitled to a **personal tax deduction of +/- 25.000 CZK** (provided that the person is tax resident in CZ), and there are more deductions for wife, children, mortgage, life insurance etc. Therefore, it pays off to file personal income tax returns for the personnel and director(s).

-The company is supposed to file its **global income**, not only the income made in Czech Republic.

-The tax year is from the 1st of January till the 31st of December, **the deadline for filing / extending is the 31st of March**.

-If the company never filed a tax return or moved during the year we need to **(re)register it at the tax office**, this is charged separately.

-Every year financial results of the company have to be sent to the Commercial Court, on a CD or through the datova schanka – this is a separate service, not included in the preparation of the Tax Return, unless selected as option on the Tax Return Order Form.

-The SRO has the obligation to announce at the authorities who is the real owner / decisionmaker in the SRO. The original registration at Commercial Court is not sufficient, an additional document is required. This is not part of the Tax Return, it is separate legal document. Inform yourself about this document, as the sanction is penalties or SRO deregistration (!).