



Observatory on the Protection of Taxpayers' Rights

Below you will find a questionnaire filled in by Hana Skalická, Partner at *Hana Skalická Law Office* and National Reporter of Czech Republic.

This set of questionnaires comprise the National Reporter's assessment on the country practice during 2019 in the protection of taxpayers' rights (Questionnaire # 1), and the level of fulfilment of the minimum standards and best practices on the practical protection of taxpayers' rights identified by Prof. Dr. Philip Baker and Prof. Dr. Pasquale Pistone at the 2015 IFA Congress on "*The Practical Protection of Taxpayers' Fundamental Rights*" (Questionnaire # 2). These questionnaires were filled in considering the following parameters:

1. *For Questionnaire # 1*, an assertive assessment (yes/no) was required on the effective implementation in domestic law of 82 legal safeguards, guarantees and procedures relevant in 12 specific areas for the practical protection of taxpayers' rights, as identified by Baker & Pistone in 2015. This line of questioning aims to get an overview of the state of protection of taxpayers' rights in the country in 2019.
2. *For Questionnaire # 2*, an impartial, non-judgmental evaluation was required on the developments, either of improvement or of decline, in the level of realisation of 57 minimum standards and 44 best practices, distributed into 87 benchmarks for the practical protection of taxpayers' rights. In this regard, a summary of events occurred in 2019 (legislation enacted, administrative rulings, circulars, case law, tax administration practices), that serve as grounds for each particular assessment, was also required.

IBFD Observatory on the Protection of Taxpayers' Rights

Dear National Reporter,

On behalf of Prof. Dr. Philip Baker and Prof. Dr. Pasquale Pistone, I would like to thank you for your participation in the IBFD's Observatory on the Protection of Taxpayers' Rights (OPTR).

As you are aware, the OPTR aims to keep track of the developments in the practical protection of taxpayers' rights around the world. We intend to do so through the valuable and timely information you are kindly supplying, as member of your country's group of experts. Practitioners, tax authorities, academics and the judiciary of each surveyed country form national groups, to obtain a neutral, balanced report on the situation of taxpayers' rights in these countries.

Following you will find two questionnaires, of twelve sections each, aiming to compile relevant information regarding the level of practical implementation of the minimum standards and best practices of 12 taxpayers' rights, as identified by Prof. Dr. Baker and Prof. Dr. Pistone in Basel, 2015. We kindly ask you to fill them out completely, according to the instructions provided at the beginning of each questionnaire.

We would be very grateful if you submit us this questionnaire, duly filled out, by no later than 17 January 2020. We remain at your disposal for any clarification you may need.

We look forward to your valuable contribution to what we believe is an extraordinary project!

Kind regards,

Prof. Dr. Carlos E. Weffe
Managing Editor
IBFD Observatory on the Protection of Taxpayers' Rights.

* Better if filled in using Google Chrome © or Mozilla Firefox ©

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Questionnaire 1 - Country Practice

Instructions:

1. Please answer all questions. The form will not allow you to continue/submit your responses until you have answered all questions.
2. For assertive questions, please answer with "yes" or "no" by clicking on the corresponding button.
3. For questions that require you to specify a period of time (namely, Q. 23 and Q. 44), please select the time applicable in your country to carry out the procedures indicated in the questions in practice, within the options provided.
4. For questions with more than one possible answer (namely, Q. 56), please check all necessary boxes to reflect better the practical situation of your country regarding the issue, by clicking on them.
5. When completed, please submit the survey.
6. Once you have submitted the survey, you will receive an email acknowledging your participation in the OPTR and providing a backup of your answers.
7. The email will also include an "edit your survey" link, in case you want to modify any of your answers. You will receive this email every time you submit partial responses.
8. An option to quit the survey and save your answers is provided at the end of each section.

9. If answering partially, please select "Yes" at the end of the section in which you are to submit your partial answers to the survey. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this survey.

10. For editing your answers, please use the last "edit your response" link provided to you via email. Please bear in mind that this is the only way the system will acknowledge your previous answers. If you use a link other than the last one provided, some (or all) changes might not be retrieved by the system.

11. When clicking on the last "edit your response" link, the system will lead you to the front page of the survey. Click on "Next" as many times as needed to get to the section you want to continue in. Once you have reached said section, please remember to change your answer to the question "Do you want to save your results and quit?" to "No", in order to be able to continue.

I. Identifying taxpayers and issuing tax returns

1. Do taxpayers have the right to see the information held about them by the tax authority?

*

Yes

No

2. If yes, can they request the correction of errors in the information? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

3. In your country, is there a system of "cooperative compliance" / "enhanced relationship" which applies to some taxpayers only? *

Yes

No

4. If yes, are there rules or procedures in place to ensure this system is available to all eligible taxpayers on a non-preferential/non discriminatory/non arbitrary basis? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

5. Is it possible in your country for taxpayers to communicate electronically with the tax authority? *

Yes

No

6. If yes, are there systems in place to prevent unauthorised access to the channel of communication? *

Yes

No

7. Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations? *

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

II. The issue of tax assessment

8. If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act ex officio to notify all affected taxpayers and arrange repayments to them? *

Yes

No

9. Does a dialogue take place in your country between the taxpayer and the tax authority before the issue of an assessment in order to reach an agreed assessment? *

Yes

No

10. If yes, can the taxpayer request a meeting with the tax officer? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

III. Confidentiality

11. Is information held by your tax authority automatically encrypted? *

Yes

No

12. Is access to information held by the tax authority about a specific taxpayer accessible only to the tax official(s) dealing with that taxpayer's affairs? *

Yes

No

13. If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

14. Is access to information held about a taxpayer audited internally to check if there has been any unauthorised access to that information? *

Yes

No

15. Are there examples of tax officials who have been criminally prosecuted in the last decade for unauthorised access to taxpayers' data? *

Yes

No

16. Is information about the tax liability of specific taxpayers publicly available in your country? *

Yes

No

17. Is "naming and shaming" of non-compliant taxpayers practised in your country? *

Yes

No

18. Is there a system in your country by which the courts may authorise the public disclosure of information held by the tax authority about specific taxpayers (e.g. habeas data or freedom of information)? *

Yes

No

19. Is there a system of protection of legally privileged communications between the taxpayer and its advisors? *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

Yes

No

20. If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants, tax advisors)? *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

Not applicable (click here if you answered "No" to the previous question)

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

IV. Normal Audits

21. Does the principle audi alteram partem apply in the tax audit process (i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalised)? *

Yes

No

22. Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)? *

Yes

No

23. If yes, what is the normal limit in months? *

There is no limit (click here if you answered "No" to the previous question) ▼

24. Does the taxpayer have the right to be represented by a person of its choice in the audit process? *

Yes

No

25. May the opinion of independent experts be used in the audit process? *

Yes

No

26. Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process? *

Yes

No

27. Does the principle ne bis in idem apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)? *

Yes

No

28. If yes, does this mean only one audit per tax per year? *

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

29. Are there limits to the frequency of audits of the same taxpayer (e.g. in respect to different periods or different taxes)? *

- Yes
- No

30. Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)? *

- Yes
- No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

V. More intensive audits

31. Is authorisation by a court always needed before the tax authority may enter and search premises? *

Yes

No

32. May the tax authority enter and search the dwelling places of individuals? *

Yes

No

33. Is there a procedure in place to ensure that legally privileged material is not taken in the course of a search? *

Yes

No

34. Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)? *

Yes

No

35. Is the principle nemo tenetur applied in tax investigations (i.e. the principle against self-incrimination)? *

Yes

No

36. If yes, is there a restriction on the use of information supplied by the taxpayer in a subsequent penalty procedure/criminal procedure? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

37. If yes to nemo tenetur, can the taxpayer raise this principle to refuse to supply basic accounting information to the tax authority? *

Not applicable (click here if you answered "No" to question 35)

Yes

No

38. Is there a procedure applied in your country to identify a point in time during an investigation when it becomes likely that the taxpayer may be liable for a penalty or a criminal charge, and from that time onwards the taxpayer's right not to self-incriminate is recognised? *

Yes

No

39. If yes, is there a requirement to give the taxpayer a warning that the taxpayer can rely on the right of non-self-incrimination? *

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

VI. Review and appeals

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

40. Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary? *

- Yes
- No

41. Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary? *

Yes

No

42. Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision, before the case can proceed to a judicial hearing? *

Yes

No

43. Are there time limits applicable for a tax case to complete the judicial appeal process? *

Yes

No

44. If yes, what is the normal time it takes for a tax case to be concluded on appeal? *

There is no limit (click here if you answered "No" to the previous question) ▼

45. Does the taxpayer have to pay some/all the tax before an appeal can be made (i.e. solve et repete)? *

Yes

No

46. If yes, are there exceptions recognised where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

47. Does the taxpayer need permission to appeal to the first instance tribunal? *

Yes

No

48. Does the taxpayer need permission to appeal to the second or higher instance tribunals? *

Yes

No

49. Is there a system for the simplified resolution of tax disputes (e.g. by a determination on the file, or by e/filing)? *

Yes

No

50. Is the principle audi alteram partem (i.e. each party has a right to a hearing) applied in all tax appeals? *

Yes

No

51. Does the loser have to pay the costs in a tax appeal? *

Yes

No

52. If yes, are there situations recognised where the loser does not need to pay the costs (e.g. because of the conduct of the other party)? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

53. Are judgments of tax tribunals published? *

Yes

No

54. If yes, can the taxpayer preserve its anonymity in the judgment? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

55. If there is usually a public hearing, can the taxpayer request a hearing in camera (i.e. not in public) to preserve secrecy/confidentiality? *

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

VII. Criminal and administrative sanctions

56. Does the principle ne bis in idem apply in your country to prevent either: *

- The principle does not apply in my country
- The imposition of a tax penalty and the tax liability
- The imposition of more than one tax penalty for the same conduct
- The imposition of a tax penalty and a criminal liability

57. If ne bis in idem is recognised, does this prevent two parallel sets of court proceedings arising from the same factual circumstances (e.g. a tax court and a criminal court)? *

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

58. If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty? *

- Yes
- No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

59. Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)? *

Yes

No

60. Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets? *

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

IX. Cross-border procedures

61. Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a specific request? *

Yes

No

62. Does the taxpayer have a right to be informed before information is sought from third parties in response to a specific request for exchange of information? *

Yes

No

63. If no to either of the previous two questions, did your country previously recognise the right of taxpayers to be informed and was such right removed in the context of the peer review by the Forum on Transparency and Exchange of Information? *

Not applicable (click here if you answered "No" to either question 61 or question 62)

Yes

No

64. Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country? *

Yes

No

65. Does the taxpayer have the right to challenge before the judiciary the exchange of information relating to him with another country? *

Yes

No

66. Does the taxpayer have the right to see any information received from another country that relates to him? *

Yes

No

67. Does the taxpayer have the right in all cases to require a mutual agreement procedure is initiated? *

Yes

No

68. Does the taxpayer have a right to see the communications exchanged in the context of a mutual agreement procedure? *

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

69. Is there a procedure in your country for public consultation before the adopting of all (or most) tax legislation? *

Yes

No

70. Is tax legislation subject to constitutional review which can strike down unconstitutional laws? *

Yes

No

71. Is there a prohibition on retrospective tax legislation in your country? *

Yes

No

72. If no, are there restrictions on the adoption of retrospective tax legislation in your country? *

Not applicable (click here if you answered "Yes" to the previous question)

Yes

No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

XI. Revenue practice and guidance

73. Does the tax authority in your country publish guidance (e.g. revenue manuals, circulars, etc.) as to how it applies your tax law? *

Yes

No

74. If yes, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)? *

Not applicable (click here if you answered "No" to the previous question)

Yes

No

75. Does your country have a generalised system of advanced rulings available to taxpayers? *

Yes

No

76. If yes, is it legally binding? *

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

77. If a binding rule is refused, does the taxpayer have a right to appeal? *

- Yes
- No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

XII. Institutional framework for protecting taxpayer's rights

78. Is there a taxpayers' charter or taxpayers' bill of rights in your country? *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

- Yes
- No

79. If yes, are its provisions legally effective? *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

80. Is there a (tax) ombudsman / taxpayers' advocate / equivalent position in your country? *

- Yes
- No

81. If yes, can the ombudsman intervene in an on-going dispute between the taxpayer and the tax authority (before it goes to court)? *

- Not applicable (click here if you answered "No" to the previous question)
- Yes
- No

82. If yes to a (tax) ombudsman, is he/she independent from the tax authority? *

- Not applicable (click here if you answered "No" to question 80)
- Yes
- No

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

Questionnaire 2 - Standards of protection

Instructions:

1. Please answer all questions. The form will not allow you to continue/submit your responses until you have answered all questions.
2. All questions are two or three-tiered (namely, either with parts "A" and "B" or "A", "B" and "C"). They comprise a minimum standard and /or a best practice, and a "summary of relevant facts in 2019", a space for providing a summarized account on facts (legislation enacted, administrative rulings, circulars, case law, tax administration practices), in a non-judgmental way.
3. Please Indicate, by clicking on the corresponding button, whether there was an improvement or a decrease of the level of compliance of the relevant standard/best practice in your country in 2019. If there were no changes, please indicate so by clicking on the corresponding button.
4. In all cases, please refer the relevant novelties in the space provided under "summary of relevant facts in 2019", for each question. Please give a summarized account on facts (legislation enacted, administrative rulings, circulars, case law, tax administration practices), in a non-judgmental way. Specify if some content is no longer applicable, due to other developments. If applicable, indicate whether the fact reported is under a minimum standard or fully complies with the best practice. In case there is nothing to report for a given minimum standard/best practice, please indicate so briefly.
5. If any, make additional, non-judgmental commentaries at the space provided under "summary of relevant facts in 2019".
6. Back up your assertions with the relevant documentary materials, if possible. While it is not mandatory, a short summary of such materials in English is appreciated. You are welcomed to send us these materials to our email: optr@ibfd.org and c.weffe@ibfd.org.
7. When completed, please submit the survey.
8. Once you have submitted the survey, you will receive an email acknowledging your participation in the OPTR and providing a backup of your answers.
9. The email will also include an "edit your survey" link, in case you want to modify any of your answers. You will receive this email every time you submit partial responses.
10. An option to quit the survey and save your answers is provided at the end of each section. This part of the survey has 12 sections.
11. If answering partially, please select "Yes" at the end of the section in which you are to submit your partial answers to the survey. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this survey.
12. For editing your answers, please use the last "edit your response" link provided to you via email. Please bear in mind that this is the only way the system will acknowledge your previous answers. If you use a link other than the last one provided, some (or all) changes might not be retrieved by the system.

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Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

I. Identifying taxpayers and issuing tax returns

1 (A). Implement safeguards to prevent impersonation when issuing a unique identification number *

No changes

Shifted away from the minimum standard

Shifted towards / improved the minimum standard

1 (B). Summary of relevant facts in 2019

2 (A). The system of taxpayer identification should take account of religious sensitivities *

No changes

Shifted away from the minimum standard

Shifted towards / improved the minimum standard

2 (B). Summary of relevant facts in 2019

3 (A). Impose obligations of confidentiality on third parties with respect to information gathered by them for tax purposes *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

3 (B). Summary of relevant facts in 2019

4 (A). Where tax is withheld by third parties, the taxpayer should be excluded from liability if the third party fails to pay over the tax *

- No changes
- Shifted away from the best practice
- Shifted towards / match the best practice

4 (B). Summary of relevant facts in 2019

5 (A). Where pre/populated returns are used, these should be sent to taxpayers to correct errors. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

5 (B). Summary of relevant facts in 2019

6 (A). Provide a right to access to taxpayers to personal information held about them, and a right to correct inaccuracies. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

6 (B). Publish guidance on taxpayers' rights to access information and correct inaccuracies *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

6 (C). Summary of relevant facts in 2019

7 (A). Where communication with taxpayers is in electronic form, institute systems to prevent impersonation or interception *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

7 (B). Summary of relevant facts in 2019

8 (A). Where a system of "cooperative compliance" operates, ensure it is available on a non-discriminatory and voluntary basis *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

8 (B). Summary of relevant facts in 2019

9 (A). Provide assistance for those who face difficulties in meeting compliance obligations, including those with disabilities, those located in remote areas, and those unable or unwilling to use electronic forms of communication *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

9 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

II. The issue of tax assessment

10 (A). Establish a constructive dialogue between taxpayers and revenue authorities to ensure a fair assessment of taxes based on equality of arms *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

10 (B). Summary of relevant facts in 2019

11 (A). Use e-filing to speed up assessments and correction of errors, particularly systematic errors *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

11 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

III. Confidentiality

12 (A). Provide a specific legal guarantee for confidentiality, with sanctions for officials who make unauthorised disclosures (and ensure sanctions are enforced). *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

12 (B). Encrypt information held by a tax authority about taxpayers to the highest level attainable. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

12 (C). Summary of relevant facts in 2019

13 (A). Restrict access to data to those officials authorised to consult it. For encrypted data, use digital access codes. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

13 (B). Ensure an effective fire-wall to prevent unauthorised access to data held by revenue authorities. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

13 (C). Summary of relevant facts in 2019

14 (A). Audit data access periodically to identify cases of unauthorised access. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

14 (B). Summary of relevant facts in 2019

15 (A). Introduce administrative measures emphasizing confidentiality to tax officials. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

15 (B). Appoint data protection/privacy officers at senior level and local tax offices. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

15 (C). Summary of relevant facts in 2019

16 (A). Where pre/populated returns are used, these should be sent to taxpayers to correct errors. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

16 (B). Summary of relevant facts in 2019

17 (A). If a breach of confidentiality occurs, investigate fully with an appropriate level of seniority by independent persons (e.g. judges). *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

17 (B). Summary of relevant facts in 2019

18 (A). Introduce an offence for tax officials covering up unauthorised disclosure of confidential information. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

18 (B). Summary of relevant facts in 2019

19 (A). Exceptions to the general rule of confidentiality should be explicitly stated in the law, narrowly drafted and interpreted. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

19 (B). Summary of relevant facts in 2019

20 (A). If "naming and shaming" is employed, ensure adequate safeguards (e.g. judicial authorisation after proceedings involving the taxpayer). *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

20 (B). Summary of relevant facts in 2019

21 (A). No disclosure of confidential taxpayer information to politicians, or where it might be used for political purposes. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

21 (B). Parliamentary supervision of revenue authorities should involve independent officials, subject to confidentiality obligations, examining specific taxpayer data, and then reporting to Parliament. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

21 (C). Summary of relevant facts in 2019 *

There were no changes in legislation in this matter in 2019. However, we can see some situations that politicians have information from the tax proceedings even if they should not have them. Tax proceedings in the Czech Republic is never public. Tax officials should not "report" any information from the tax proceedings to politicians.

22 (A). Freedom of information legislation may allow a taxpayer to access information about himself. However, access to information by third parties should be subject to stringent safeguards: only if an independent tribunal concludes that the public interest in disclosure outweighs the right of confidentiality, and only after a hearing where the taxpayer has an opportunity to be heard. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

22 (B). Summary of relevant facts in 2019

23 (A). If published, tax rulings should be anonymised and details that might identify the taxpayer removed. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

23 (B). Anonymise all tax judgments and remove details that might identify the taxpayer

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

23 (C). Summary of relevant facts in 2019

24 (A). Legal professional privilege should apply to tax advice. *

Please provide separately (via optr@ibfd.org) an annex with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

24 (B). Privilege from disclosure should apply to all tax advisors (not just lawyers) who supply similar advice to lawyers. Information imparted in circumstances of confidentiality may be privileged from disclosure. *

Please provide separately (via optr@ibfd.org) an annex with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

24 (C). Summary of relevant facts in 2019 *

Please provide separately (via optr@ibfd.org) an annex with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

There were no changes in legislation in 2019. Legal privilege applies just to attorneys-at-law registered with Czech Bar Association and to tax advisors registered with Czech Chamber of the Tax Advisors.

25 (A). Where tax authorities enter premises which may contain privileged material, arrangements should be made (e.g. an independent lawyer) to protect that privilege. *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

25 (B). Summary of relevant facts in 2019 *

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

There were no changes in legislation in 2019. Under the Tax Code, tax authorities may enter premises which may contain privileged material. They do not need any consent from the Court in advance. Only when tax authorities would like to perform tax audit in the law office, such privilege is protected and the presence of the representative of the Bar Association is required. Similar provisions are valid for registered tax advisors (with the presence of the representative of Chamber of Tax Advisors).

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

IV. Normal audits

26 (A). Audits should respect the following principles: (i) Proportionality. (2) Ne bis in idem (prohibition of double jeopardy). (3) Audi alteram partem (right to be heard before any decision is taken). (4) Nemo tenetur se detegere (principle against self/incrimination). Tax notices issued in violation of these principles should be null and void. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

26 (B). Summary of relevant facts in 2019

There were no changes in legislation in 2019. However, even if Czech Tax Code contains above mentioned rules, in the case of breach of them tax notices are not automatically null and void. Usually the taxpayers are successful before the Court, not in the tax proceedings. It means that taxpayers must: 1. submit an appeal against decision in the tax proceedings, and 2. submit administrative petition to the administrative court.

27 (A). In application of proportionality, tax authorities may only request for information that is strictly needed, not otherwise available, and must impose least burdensome impact on taxpayers. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

27 (B). Summary of relevant facts in 2019

There were no changes in legislation in 2019. Yes, tax authorities may request only for information that is strictly needed. However, tax authorities mostly breach this rule.

28 (A). In application of ne bis in idem the taxpayer should only receive one audit per taxable period, except when facts that become known after the audit was completed. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

28 (B). Summary of relevant facts in 2019 *

There were no changes in legislation in 2019. Ne bis in idem means that the taxpayer should receive one tax audit per one matter. It does not need to be "one taxable period". It depends how the scope of tax audit is defined in the protocol on the beginning of the tax audit.

29 (A). In application of audi alteram partem, taxpayers should have the right to attend all relevant meetings with tax authorities (assisted by advisors), the right to provide factual information, and to present their views before decisions of the tax authorities become final.

*

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

29 (B). Summary of relevant facts in 2019

30 (A). In application of nemo tenetur, the right to remain silent should be respected in all tax audits. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

30 (B). Summary of relevant facts in 2019

31 (A). Tax audits should follow a pattern that is set out in published guidelines. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

31 (B). Summary of relevant facts in 2019 *

There are no published guidelines for tax audits.

32 (A). A manual of good practice in tax audits should be established at the global level. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

32 (B). Summary of relevant facts in 2019

Unfortunately, this does not exist in the Czech Republic.

33 (A). Taxpayers should be entitled to request the start of a tax audit (to obtain finality). *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

33 (B). Summary of relevant facts in 2019

This is not possible in the Czech Republic.

34 (A). Where tax authorities have resolved to start an audit, they should inform the taxpayer *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

34 (B). Where tax authorities have resolved to start an audit, they should hold an initial meeting with the taxpayer in which they spell out the aims and procedure, together with timescale and targets. They should then disclose any additional evidence in their possession to the taxpayer.

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

34 (C). Summary of relevant facts in 2019

During the first meeting in the tax audit, tax authorities draw up a protocol, in which is stated the scope of the tax audit. Tax Office usually asks in this protocol for some documents and information from the taxpayer. Unfortunately, the content of such a protocol does include neither the timescale, nor evidence which tax authorities have against the taxpayer. Very often it happens that the evidence against or even in the favour of the taxpayer is hidden in non-public part of the file and tax office provides them to the taxpayer in the end of the tax audit (if at all).

35 (A). Taxpayers should be informed of information gathering from third parties. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

35 (B). Summary of relevant facts in 2019

There were no changes in legislation in 2019. Yes, taxpayers should be informed of information gathering from third parties, but very often is not.

36 (A). Reasonable time limits should be fixed for the conduct of audits. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

36 (B). Summary of relevant facts in 2019

There were no changes in legislation in 2019. Unfortunately, Czech Tax Code does not stipulate any time limit for the conduct of audit. The only time limit which applies is general lapse period for tax assessment (i.e. 3 years, max. 10 years from the deadline for submission of the tax return).

37 (A). Technical assistance (including representation) should be available at all stages of the audit by experts selected by the taxpayer. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

37 (B). Summary of relevant facts in 2019

38 (A). The completion of a tax audit should be accurately reflected in a document, notified in its full text to the taxpayer. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

38 (B). The drafting of the final audit report should involve participation by the taxpayer, with the opportunity to correct inaccuracies of facts and to express the taxpayer's view. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

38 (C). Summary of relevant facts in 2019

39 (A). Following an audit, a report should be prepared even if the audit does not result in additional tax or refund. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

39 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

V. More intensive audits

40 (A). More intensive audits should be limited to the extent strictly necessary to ensure an effective reaction to non-compliance. *

No changes

Shifted away from the best practice

Shifted towards / matched the best practice

40 (B). Summary of relevant facts in 2019

41 (A). If there is point in an audit when it becomes foreseeable that the taxpayer may be liable for a penalty or criminal charge, from that time the taxpayer should have stronger protection of his right to silence, and statements from the taxpayer should not be used in the audit procedure. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

41 (B). Summary of relevant facts in 2019

42 (A). Entering premises or interception of communications should be authorised by the judiciary. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

42 (B). Summary of relevant facts in 2019

There were no changes in legislation in 2019. However, unfortunately, tax authorities may enter premises without authorisation by the judiciary.

43 (A). Authorisation within the revenue authorities should only be in cases of urgency, and subsequently reported to the judiciary for ex-post ratification. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

43 (B). Summary of relevant facts in 2019

44 (A). Inspection of the taxpayer's home should require authorisation by the judiciary and only be given in exceptional cases. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

44 (B). Where tax authorities intend to search the taxpayer's premises, the taxpayer should be informed and have an opportunity to appear before the judicial authority, subject to exception where there is evidence of danger that documents will be removed or destroyed. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

44 (C). Summary of relevant facts in 2019

Authorisation by the judiciary is not required, unfortunately. Tax authorities may enter the taxpayers premises without it.

45 (A). Access to bank information should require judicial authorisation. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

45 (B). Summary of relevant facts in 2019

Access to bank information does not require judicial authorisation. Tax authorities may require them without authorisation, "just" under the wording of the Tax Procedure Code.

46 (A). Authorisation by the judiciary should be necessary for the interception of telephone communications and monitoring of internet access. Specialised offices within the judiciary should be established to supervise these actions. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

46 (B). Summary of relevant facts in 2019

47 (A). Seizure of documents should be subject to a requirement to give reasons why seizure is indispensable, and to fix the time when documents will be returned; seizure should be limited in time. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

47 (B). Summary of relevant facts in 2019

48 (A). If data are held on a computer hard drive, then a backup should be made in the presence of the taxpayer's advisors and the original left with the taxpayer. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

48 (B). Summary of relevant facts in 2019

49 (A). Where invasive techniques are applied, they should be limited in time to avoid a disproportionate impact on taxpayers. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

49 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

VI. Review and appeals

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

50 (A). E-filing of requests for internal review to ensure the effective and speedy handling of the review process. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

50 (B). Summary of relevant facts in 2019

51 (A). The right to appeal should not depend upon prior exhaustion of administrative reviews. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

51 (B). Summary of relevant facts in 2019 *

An appeal (in tax proceedings) is ordinary legal remedy, so it does not depend upon prior exhaustion of any other remedies. An appeal to the court (i.e. administrative petition) depends upon prior exhaustion of appeal in the tax proceedings.

52 (A). Reviews and appeals should not exceed two years. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

52 (B). Summary of relevant facts in 2019

There is not time limit for that.

53 (A). Audi alteram partem should apply in administrative reviews and judicial appeals. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

53 (B). Summary of relevant facts in 2019

54 (A). Where tax must be paid in whole or in part before an appeal, there must be an effective mechanism for providing interim suspension of payment. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

54 (B). An appeal should not require prior payment of tax in all cases. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

54 (C). Summary of relevant facts in 2019

An appeal in tax proceedings is not required by prior payment of tax. However, administrative petition to the Court does not have suspensory effect.

55 (A). The state should bear some or all of the costs of an appeal, whatever the outcome.

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

55 (B). Summary of relevant facts in 2019

Appeal in tax proceedings is free of charge. For submission of administrative petition applies court fees.

56 (A). Legal assistance should be provided for those taxpayers who cannot afford it. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

56 (B). Summary of relevant facts in 2019

57 (A). Taxpayers should have the right to request the exclusion of the public from a tax appeal hearing. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

57 (B). Summary of relevant facts in 2019

Tax proceedings including appeal in the tax proceedings is never public. The court proceedings is always public (with little exceptions - taxpayers can ask for the exclusion of the public, however the court does need to accept it). Court judgments are always public.

58 (A). Tax judgments should be published. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

58 (B). Summary of relevant facts in 2019

Tax judgments are publicly announced. Tax judgments of the highest court instances or the most important judgments of lower court instances are published both in the Collection of the decisions of the courts and on websites of the Supreme Administrative Court: <http://www.nssoud.cz/main0col.aspx?cls=JudikaturaBasicSearch&pageSource=0> (in Czech only)

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

VII. Criminal and administrative sanctions

59 (A). Proportionality and ne bis in idem should apply to tax penalties. *

No changes

Shifted away from the minimum standard

Shifted towards / improved the minimum standard

59 (B). Summary of relevant facts in 2019

In the case of additional tax assessment after the tax audit the tax authorities assess to the taxpayer:

- additional tax, and
- penalties, and
- interest on late payment.

Next, criminal proceedings can be initiated.

60 (A). Where administrative and criminal sanctions may both apply, only one procedure and one sanction should be applied. *

No changes

Shifted away from the best practice

Shifted towards / matched the best practice

60 (B). Summary of relevant facts in 2019

61 (A). Voluntary disclosure should lead to reduction of penalties. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

61 (B). Summary of relevant facts in 2019

If the taxpayer submits voluntarily additional tax return, then the tax administrator does not impose to him penalties (but imposes additional tax and interest on late payment).

In criminal proceedings, there is effective recompense. It means that if the taxpayer pays tax voluntarily (it is before the start of the tax audit), then the conduct is not criminal.

62 (A). Sanctions should not be increased simply to encourage taxpayers to make voluntary disclosures. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

62 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

VIII. Enforcement of taxes

63 (A). Collection of taxes should never deprive taxpayers of their minimum necessary for living. *

No changes

Shifted away from the minimum standard

Shifted towards / improved the minimum standard

63 (B). Summary of relevant facts in 2019

64 (A). Authorisation by the judiciary should be required before seizing assets or bank accounts *

No changes

Shifted away from the best practice

Shifted towards / matched the best practice

64 (B). Summary of relevant facts in 2019

65 (A). Taxpayers should have the right to request delayed payment of arrears. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

65 (B). Summary of relevant facts in 2019

66 (A). Bankruptcy of taxpayers should be avoided, by partial remission of the debt or structured plans for deferred payment. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

66 (B). Summary of relevant facts in 2019

67 (A). Temporary suspension of tax enforcement should follow natural disasters. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

67 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

IX. Cross-border procedures

68 (A). The requesting state should notify the taxpayer of cross-border requests for information, unless it has specific grounds for considering that this would prejudice the process of investigation. The requested state should inform the taxpayer unless it has a reasoned request from the requesting state that the taxpayer should not be informed on grounds that it would prejudice the investigation. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

68 (B). The taxpayer should be informed that a cross-border request for information is to be made. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

68 (C). Summary of relevant facts in 2019

69 (A). Where a cross-border request for information is made, the requested state should also be asked to supply information that assists the taxpayer. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

69 (B). Summary of relevant facts in 2019

70 (A). Provisions should be included in tax treaties setting specific conditions for exchange of information. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

70 (B). Summary of relevant facts in 2019

71 (A). If information is sought from third parties, judicial authorisation should be necessary.

*

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

71 (B). Summary of relevant facts in 2019

72 (A). The taxpayer should be given access to information received by the requesting state. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

72 (B). Summary of relevant facts in 2019

73 (A). Information should not be supplied in response to a request where the originating cause was the acquisition of stolen or illegally obtained information.

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

73 (B). Summary of relevant facts in 2019

74 (A). A requesting state should provide confirmation of confidentiality to the requested state. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

74 (B). Summary of relevant facts in 2019

75 (A). A state should not be entitled to receive information if it is unable to provide independent, verifiable evidence that it observes high standards of data protection. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

75 (B). Summary of relevant facts in 2019

76 (A). For automatic exchange of financial information, the taxpayer should be notified of the proposed exchange in sufficient time to exercise data protection rights. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

76 (B). Summary of relevant facts in 2019

77 (A). Taxpayers should have a right to request initiation of mutual agreement procedure. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

77 (B). Summary of relevant facts in 2019

78 (A). Taxpayers should have a right to participate in mutual agreement procedure by being heard and being informed as to the progress of the procedure. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

78 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

Yes

No

X. Legislation

79 (A). Retrospective tax legislation should only be permitted in limited circumstances which are spelt out in detail. *

No changes

Shifted away from the minimum standard

Shifted towards / improved the minimum standard

79 (B). Retrospective tax legislation should ideally be banned completely. *

No changes

Shifted away from the best practice

Shifted towards / matched the best practice

79 (C). Summary of relevant facts in 2019

"Real retrospective tax legislation" is forbidden. "Unreal retrospective tax legislation" can be admissible - depending on the situation.

80 (A). Public consultation should precede the making of tax policy and tax law. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

80 (B). Summary of relevant facts in 2019

Yes, the public consultation precede the making of tax law. Currently, there is a big discussion about significant amendment of the Tax Procedure Code. At this stage, it is the government proposal. It has not passed the Parliament yet.

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

81 (A). Taxpayers should be entitled to access all relevant legal material, comprising legislation, administrative regulations, rulings, manuals and other guidance. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

81 (B). Summary of relevant facts in 2019

Tax authorities have "secret" guidelines. These are not published. However, the taxpayer can ask for them under the Act on Free Access to Information.

82 (A). Where legal material is available primarily on the internet, arrangements should be made to provide it to those who do not have access to the internet. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

82 (B). Summary of relevant facts in 2019

83 (A). Binding rulings should only be published in an anonymised form *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

83 (B). Summary of relevant facts in 2019

84 (A). Where a taxpayer relies upon published guidance of a revenue authority which subsequently proves to be inaccurate, changes should apply only prospectively. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

84 (B). Summary of relevant facts in 2019

Do you want to save your results and quit? *

If "Yes", please submit the form. To edit/complete your answers later, please use the "edit your response" link sent to your email after submitting this form. If not, click "Next" to continue.

- Yes
- No

XII. Institutional framework for protecting taxpayers' rights

Please provide separately (via optr@ibfd.org and c.weffe@ibfd.org) an annexe with the actual wording of relevant excerpts of your country's legislation regarding this matter. Technically accurate translations of such material into English, if possible, would be very appreciated. Thank you.

85 (A). Adoption of a charter or statement of taxpayers' rights should be a minimum standard. *

- No changes
- Shifted away from the minimum standard
- Shifted towards / improved the minimum standard

85 (B). A separate statement of taxpayers' rights under audit should be provided to taxpayers who are audited. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

85 (C). Summary of relevant facts in 2019

There is not any chart of the taxpayers' rights. Yes, the rights of the taxpayers who are audit are stipulated in the Tax Procedure Code and these are binding.

86 (A). A taxpayer advocate or ombudsman should be established to scrutinise the operations of the tax authority, handle specific complaints, and intervene in appropriate cases. Best practice is the establishment of a separate office within the tax authority but independent from normal operations of that authority. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

86 (B). Summary of relevant facts in 2019

In the Czech Republic, there is not "tax ombudsman", but "general" ombudsman can intervene in appropriate cases.

87 (A). The organisational structure for the protection of taxpayers' rights should operate at local level as well as nationally. *

- No changes
- Shifted away from the best practice
- Shifted towards / matched the best practice

87 (B). Summary of relevant facts in 2019

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280/2009 Sb.

ACT

of 22 July 2009

Tax Regulations

Amendment: [30/2011 Coll.](#)
Amendment: [167/2012 Coll.](#)
Amendment: [458/2011 Coll.](#) (part)
Amendment: [458/2011 Coll.](#) (part), [344/2013 Coll.](#)
Amendment: [458/2011 Coll.](#), [267/2014 Coll.](#)
Amendment: [375/2015 Coll.](#)
Amendment: [298/2016 Coll.](#)
Amendment: [368/2016 Coll.](#)
Amendment: [170/2017 Coll.](#)
Amendment: [94/2018 Coll.](#)
Amendment: [80/2019 Coll.](#)
Amendment: [111/2019 Coll.](#)

The Parliament has adopted the following Act of the Czech Republic:

PART ONE

INTRODUCTORY PROVISIONS

CHAPTER I

SCOPE AND PURPOSE OF THE REGULATION

Section 1

(1) This Act governs the procedure of tax administrators, and the rights and obligations arising for tax subjects and third parties in tax administration.

(2) Tax administration is the procedure aimed at the correct ascertainment and assessment of taxes and at securing their payment.

(3) The basis for a correct tax ascertainment and assessment is a tax return, report or summary (hereinafter referred to as a "regular tax statement") and an additional tax return, subsequent report or additional summary (hereinafter referred to as an "additional tax statement") filed by the tax subject.

Section 2

(1) The subject of tax administration is the taxes that constitute income of a public budget or the reduction of income of a public budget (hereinafter referred to as a "refund").

(2) For the purposes of this Act, a public budget shall mean

- a) the state budget, state financial assets or a reserve fund of a government branch,
- b) the budget of a local government unit,
- c) the budget of a state fund, or the National Fund,
- d) the budget of the European Union, or
- e) a budget for which this is stipulated by law.

(3) For the purposes of this Act, tax shall mean

- a) monetary performance identified by law as a tax, customs duty or fee,
- b) monetary performance, provided that the law stipulates that the procedures laid out in this Act shall apply to its administration,
- c) monetary performance under divided administration.

(4) The tax under [Subsection 3](#) also includes a tax deduction, tax loss or other methods of taxation and tax attribution.

(5) Tax attribution shall mean the interest, penalties, fines and costs of proceedings, if imposed or arising under tax law. The interest, penalty and fine for a delayed tax statement shall follow the fate of the tax.

Section 3

A tax liability arises at the moment when such facts arise that are, according to the law, subject to tax or that constitute such a liability.

Section 4

This Act or its individual provisions shall apply unless another Act regulates tax administration otherwise.

CHAPTER II

BASIC PRINCIPLES OF TAX ADMINISTRATION

Section 5

(1) When administering taxes, the tax administrator shall act in accordance with the Acts and other legal regulations (hereinafter referred to as "legal regulation"). For the purposes of this Act, a law shall also mean an international treaty that forms a part of the legal order.

(2) The tax administrator shall only exercise its powers for the purposes and to the extent to which they were entrusted to it by or under the law.

(3) The tax administrator shall respect the rights and legally protected interests of tax subjects and third parties (hereinafter referred to as the "party involved in tax administration") in accordance with legal regulations and, when demanding fulfilment of their obligations, it shall only use such means that burden them to the least extent and still make it possible to achieve the objective of tax administration.

Section 6

(1) The parties involved in tax administration shall have equal procedural rights and obligations.

(2) The parties involved in tax administration and the tax administrator shall cooperate with each other.

(3) The tax administrator shall make it possible for the parties involved in tax administration to exercise their rights and, in relation to its act, shall provide them with a reasonable instruction concerning their rights and obligations if this is necessary with regard to the nature of the act or if this is stipulated by law.

(4) Where possible, the tax administrator shall be accommodating to the parties involved in tax administration. Official persons are obliged to avoid impoliteness during tax administration.

Section 7

(1) The tax administrator shall act without undue delays.

(2) The tax administrator shall act so that nobody incurs unnecessary costs. For the sake of economic efficiency, the tax administrator may carry out joint acts for separate proceedings. The file or the decision issued on the basis of such acts must be clear as to concerning which obligation and with what result the acts were carried out.

Section 8

(1) When establishing evidence, the tax administrator shall evaluate the evidence on its discretion. The tax administrator shall evaluate each piece of evidence on an individual basis and all the evidence in contexture; when doing so, it shall consider all the information that has become known during the tax administration.

(2) The tax administrator shall ensure that when deciding cases identical or similar in terms of facts, no unfounded differences arise.

(3) The tax administrator shall base its steps on the actual content of the legal act or another fact decisive for tax administration.

(4) When administering taxes, no account shall be taken of any legal acts and other facts relevant for tax administration, the predominant purpose of which is to obtain a tax benefit contrary to the meaning and purpose of tax legislation.

Section 9

(1) Tax administration is non-public. The parties involved in tax administration and official persons are obliged, on the conditions set out by this or another Act, to keep all facts they learn in connection with tax administration confidential.

(2) The tax administrator shall continuously ascertain the preconditions for the arising or duration of obligations of parties involved in tax administration, and shall carry out necessary acts to ensure such obligations are fulfilled.

(3) The tax administrator may process personal and other data if they are necessary for tax administration but only to the extent necessary to achieve the objective of tax administration.

PART TWO

GENERAL PART ON TAX ADMINISTRATION

CHAPTER I

TAX ADMINISTRATORS AND PARTIES INVOLVED IN TAX ADMINISTRATION

Division 1

Tax Administrator

Section 10

(1) A tax administrator is an administrative authority or another state authority (hereinafter referred to as "public authority") to the extent to which the powers in the field of tax administration are entrusted to it by or under the law.

(2) For the purposes of this Act, an administrative authority shall mean an executive authority, authority of a local government unit, another authority, and legal entity or natural person if they exercise powers in the field of public administration.

(3) The tax administrator is eligible to be a participant in civil proceedings in matters related to tax administration and, to such extent, it also has procedural capacity¹⁾.

Section 11

Powers of the Tax Administrator

(1) The tax administrator

- a) conducts tax proceedings and other proceedings under the tax law,
- b) carries out searching activities,
- c) checks the fulfilment of obligations of the parties involved in tax administration,
- d) calls to fulfil obligations,
- e) secures payment of taxes.

(2) For the purposes of tax administration, the tax administrator may establish and keep registers and records of tax subjects and their tax liabilities.

Section 12

Official Persons

(1) The tax administrator shall exercise its powers through official persons.

(2) An official person is an employee who directly participates in the exercise of powers of the tax administrator, or a person authorised, by or under the law, to exercise the powers of the tax administrator.

(3) Official persons shall prove their authorisation to act in tax administration by means of their service card if so stipulated by law, or in another manner.

(4) At the request of the party involved in tax administration, the tax administrator shall inform them as to who is the official person in the given matter. At the request of the party

involved in tax administration, the official person shall state their name, service or similar function, and the organisational unit of the tax administrator where they work.

Local Competence

Section 13

(1) Unless otherwise provided below, the local competence of the tax administrator shall be based on

a) the place of residence where a natural person is concerned; for the purposes of tax administration, the place of residence of the natural person shall mean the address of the place of permanent residence of the citizen of the Czech Republic, or the address of the reported place of residence of the foreigner, and if the place of residence of the natural person cannot be identified in this manner, it shall mean the place in the territory of the Czech Republic where the natural person mostly stays,

b) the registered office where a legal entity is concerned; for the purposes of tax administration, the registered office of the legal entity shall mean the address which is registered for the legal entity in the Commercial Register or a similar public register, or the address where the legal entity is actually seated if such an entity is not registered in such registers.

(2) Where the taxable object is an immovable asset, the tax administrator locally competent to administer the taxes is the tax administrator in the area of whose local competence the immovable asset is located.

(3) Where fees for acts are concerned, the locally competent tax administrator is the public authority that is competent to carry out such an act.

Section 14

(1) If there are several tax administrators locally competent for the same matter, the proceedings shall be conducted by the one at which the proceedings were initiated first, unless the locally competent tax administrators agree otherwise; the other tax administrators shall not initiate proceedings or, as the case may be, shall stop the initiated proceedings.

(2) Disputes over local competence between tax administrators shall be decided by the tax administrator which is the closest superior to both of them. If there is no such tax administrator, the local competence shall be determined by the Ministry or other central administrative authority to the competence of which the given matter pertains (hereinafter referred to as the "central administrative authority").

Section 15

The tax administrator may also carry out a necessary act outside of the area of its local competence, provided that such an act relates to the tax subject for the administration of whose taxes the tax administrator is locally competent.

Section 16

Change of the Local Competence

(1) In the event of a change of the local competence, the tax administrator shall assign, without undue delay, the parts of the file that relate to the taxes that may be assessed or collected and exacted to the tax administrator which has become competent, and shall notify the tax subject thereof without undue delay. It shall also accompany such a part of the file with an extract from the personal tax account of the tax subject drawn up to the same extent.

(2) The tax administrator that has been competent so far shall administer the taxes until the time when the concerned part of the file has been assigned to the new competent tax administrator.

Section 17

Letter of Request

(1) The locally competent tax administrator may request another materially competent tax administrator of the same or lower tier to carry out acts or conduct sub-proceedings or other procedures which could only be carried out or conducted by the locally competent tax administrator with difficulty or at inefficiently incurred costs, or which could not be carried out or conducted by it at all.

(2) The requested tax administrator shall carry out the requested acts as well as any acts that secure the purpose of the letter of request, without undue delay, or shall state the reasons for which it may not grant the letter of request.

(3) Disputes between tax administrators over carrying out the requested acts shall be decided by the tax administrator which is the closest superior to both the requested tax administrator and the requesting tax administrator.

Section 18

Delegation

(1) At the request of the tax subject or upon the motion of the tax administrator, the local competence for the performance of tax administration may be delegated to another materially competent tax administrator by the tax administrator that is the closest superior to both of them, provided that such a delegation is appropriate or that the tax administration requires extraordinary expert knowledge; no legal remedies may be filed against the decision in the matter of delegation.

(2) In the event of a change of the circumstances under which the decision on the delegation was issued or a change of the circumstances decisive for the determination of local competence, the tax administrator which issued the decision shall decide to cancel, change or uphold the delegation; if a change of the local competence could occur outside the area of the local competence of such a tax administrator, the decision shall be issued instead of such a tax administrator by the tax administrator that is the closest superior to both of them; no legal remedies may be filed against such a decision.

Section 19

Attraction

(1) The superior tax administrator may assume a matter instead of a subordinate tax administrator

a) if extraordinary expert knowledge is required for the tax administration,

b) in order to arrange a remedy as part of the protection from the subordinate tax administrator's failure to act,

c) if it is a decision in a matter that will also have a significant impact on proceedings with other tax subjects.

(2) No legal remedies may be filed against a decision under [Subsection 1](#).

Division 2

Parties Involved in Tax Administration, and Representation

Tax Subject

Section 20

(1) A tax subject shall mean a party identified as a tax subject by law, as well as a party identified as a tax payer or tax remitter by law.

(2) The tax subject shall have the rights and obligations related to correct tax ascertainment and assessment for the duration of the term for tax assessment and, where the payment of a tax is concerned, for the period in which the payment of arrears may be demanded, even in cases when they ceased to be a tax subject.

(3) The persons appointed under the law who fulfil the obligations set out for tax subjects, in particular administrators of a decedent's estate, trustees and insolvency administrators, shall have the same rights and obligations as the tax subject.

Section 21

(1) If the tax remitter has a branch where the obligations set out by tax law are performed, in particular collecting, withholding or securing a tax, and where the documents required for the performance of such obligations are kept, such a branch is the remitter's cash office, if so stipulated by law.

(2) The tax administrator locally competent for the remitter's cash office is the tax administrator in the area of local competence of which the remitter's cash office is located.

(3) The remitter's cash office shall exercise and perform the rights and obligations of the tax remitter; if the acts of the tax remitter and the person authorised to act on behalf of the remitter's cash office are in conflict, the acts of the tax remitter shall be decisive.

Section 22

Third Parties

Third parties shall mean the parties other than the tax subject, which have rights and obligations in tax administration or whose rights and obligations are affected by tax administration.

Section 23

Identification

(1) At the request of an official person, a party involved in tax administration is obliged to identify themselves.

(2) If the party involved in tax administration fails to identify themselves at the request of the official person, the tax administrator may request the competent security corps²⁾ to establish the identity of such a party, and may not allow them to carry out any other act in tax administration until their identity has been established.

Section 24

Procedural Capacity

(1) A party involved in tax administration may act in tax administration on their own to the extent to which they are legally competent.

(2) The parties authorised to act on behalf of a legal entity in tax administration are its statutory body or the person who proves that they are authorised to act on behalf of the legal entity under another legal regulation³⁾.

(3) A legal entity may authorise its employee or another natural person who carries out an activity of such a legal entity to act on its behalf before the tax administrator to the extent of such authorisation. An authorised signatory of a legal entity may act on behalf of the legal entity in tax administration if they may act on their own according to the granted general power of representation.

(4) Only one natural person may act on behalf of a legal entity in the same matter at the same time. Where the joint conduct of several persons is required for a conduct of the statutory body of a legal entity, any member of such a statutory body shall act on behalf of the legal entity.

(5) Subsection 3 and 4 shall apply accordingly to conduct on behalf of a natural person conducting entrepreneurial activities.

(6) The provisions relating to legal entities shall also apply accordingly to government branches or branch offices or other branches of a business enterprise of a foreign party and to other units which the law entrusts to exercise and perform the rights and obligations of parties involved in tax administration.

Section 25

Representative

(1) The representative of a party involved in tax administration is

- a) the statutory representative of a natural person, or the guardian,
- b) the appointed representative,
- c) the attorney-in-fact,
- d) the common attorney-in-fact, or
- e) the common representative.

(2) Representation by a representative does prevent the tax administrator from dealing directly with the represented party or from calling on the represented party to carry out certain acts in cases where the personal participation of the represented party is necessary. The represented party is obliged to comply with the tax administrator's call. The representative shall be notified of such dealings or call of the tax administrator by the represented party without undue delay.

Section 26

Appointed Representative

(1) The tax administrator shall appoint a representative

- a) for a person who does not have full procedural capacity to act in tax administration, provided that such a person does not have a statutory representative or guardian or provided that they may not represent such a person,
- b) for a legal entity which does not have a person competent to act on its behalf or if it is questionable who is authorised to do so,
- c) for a person of unknown residence or registered office,
- d) for a person affected by a temporary mental disorder which prevents them from acting on their own in tax administration; in such cases, the tax administrator shall decide on the basis of a specialised medical report, or
- e) for a person who is prevented by another impediment from carrying out acts in tax administration,
unless they have chosen an attorney-in-fact.

(2) The person who takes care of the person for whom the representative is being appointed or another suitable person shall be appointed as the representative by the tax administrator. The decision on the appointment of the representative may only be issued by the tax administrator with the prior consent of the assumed representative. If it is not possible to appoint the representative in this manner, the Chamber of Tax Advisers shall propose such a representative from the list of tax advisers within 30 days from the tax administrator's request; prior consent of the representative proposed by the Chamber of Tax Advisers is not required.

(3) A person who may be reasonably believed to have such interest in the result of the proceedings which justifies the concern that they will not duly defend the interests of the represented person may not be appointed as the representative.

(4) Representation based on the appointment by the tax administrator shall expire if the appointed representative ceases to be fully legally competent or becomes incompetent for representation due to a loss of the professional licence.

(5) The tax administrator shall cancel the appointment of the representative upon its own motion or upon the motion of the appointed representative or represented person

- a) if the representative neglects the protection of rights or interests of the represented person,
- b) if it comes out that the representative has such interest in the result of the proceedings which justifies the concern that they will not duly defend the interests of the represented person,
- c) if the reasons for the appointment have expired, or
- d) for other serious reasons.

No appeal may be filed against the decision to cancel the appointment of the representative.

Attorney-in-Fact

Section 27

(1) A party involved in tax administration may select an attorney-in-fact, except for cases when they are to perform something in tax administration in person.

(2) The power of attorney shall be effective in relation to the tax administrator from the moment of its submission to the tax administrator.

(3) The power of attorney shall also be effective in relation to another tax administrator after a change of the local competence, in relation to the tax administrator that carries out acts on the basis of a letter of request, as well as in relation to other tax administrators if they conduct proceedings in the matter for which the power of attorney was submitted.

Section 28

(1) The principal is obliged to specify the scope of the authorisation so that it is clear to which acts, proceedings or other procedures the power of attorney applies.

(2) If the scope of authorisation is not specified or is not specified precisely, the tax administrator shall call on the principal to amend the power of attorney; the provisions on defects of submissions shall apply accordingly. It shall also notify the attorney-in-fact of the defects in the specification of the scope of the power of attorney.

(3) The power of attorney shall be effective in relation to the tax administrator after the defects have been removed. The effects of a submission made by the attorney-in-fact under a defective power of attorney shall continue to apply if the defects have been removed within the set period.

(4) If the principal selects a new attorney-in-fact, it shall be deemed that at the moment of submitting a new power of attorney to the tax administrator the principal terminated the power of attorney of the former attorney-in-fact to the extent to which the power of attorney was granted to the new attorney-in-fact.

(5) If an attorney-in-fact does not have their registered office or residence in the territory of a Member State of the European Union, another State that is a party to the Agreement on the European Economic Area, or the Swiss Confederation, they are obliged to select an attorney-in-fact for service which has their registered office or place of residence in the Czech Republic, otherwise the documents for them will be stored at the tax administrator with the effects of service on the date of their issue where decisions are concerned, and on the date of their drawing up in writing in the other cases.

(6) If the principal and the attorney-in-fact act in the same matter, the principal's acting shall be decisive.

Section 29

Restriction of Authorisation

(1) Only one attorney-in-fact may be selected for the same matter at any one time.

(2) Unless they are a tax adviser or attorney (hereinafter referred to as "adviser"), the attorney-in-fact is not authorised to select another attorney-in-fact, except for an attorney-in-fact for service under [Section 28 Subsection 5](#).

Section 30

Common Representation

(1) Where a joint tax liability arises for several tax subjects, they are obliged to select a common attorney-in-fact. If they fail to do so even upon a call of the tax administrator, the tax administrator shall appoint a common representative for them; [Section 26](#) shall apply accordingly.

(2) The decision on the appointment of a common representative shall only be served on such a representative; the represented tax subjects shall be notified by the tax administrator of the appointment of the common representative. The represented tax subjects may not appeal the decision on the appointment of the common representative.

(3) [Section 27 through 29](#) shall apply accordingly to the common attorney-in-fact.

Section 31

Expert Consultant

(1) A tax subject or their representative may invite an expert consultant for proceedings.

(2) If the expert consultant defeats proceedings, the tax administrator may decide to exclude the expert consultant from further proceedings if even the imposition of a disciplinary fine does not or would not lead to rectification.

CHAPTER II

TERMS

Section 32

Setting the Term for Carrying out Act

(1) The tax administrator shall issue a decision setting out the term for an act in tax administration to be carried out by a party involved in tax administration if this is necessary and if the term is not set out by law.

(2) A term shorter than 8 days may only be set out exceptionally for simple and particularly urgent acts.

(3) If the tax administrator issues a decision imposing an obligation to which the set term relates, the instruction included in the decision shall also specify legal consequences of the failure to comply with the term; where the term is shorter than 8 days, the grounds for the length of such a term shall also be given even if the decision is otherwise not to state the grounds of the decision.

Section 33

Counting of Time

(1) A term set out by weeks, months or years shall begin on the day that follows the day when the fact determining the beginning of the term took place, and shall end on the expiry of the day the name or numerical designation of which corresponds to the day when the term began. If there is no such day in the month, the last day of the term shall fall on the last day of that month.

(2) The term set out by days shall begin on the day that follows the day when the fact determining the beginning of the term took place.

(3) The term set out in time units shorter than days shall be counted from the moment when the fact determining the beginning of the term took place.

(4) If the last day of the term falls on a Saturday, Sunday or public holiday, the last day of the term shall be the nearest following working day; this shall not apply to terms set out in time

units shorter than days.

Section 34

Course of the Term for the Tax Administrator

If the day when the party involved in tax administration made a submission is the starting day of the term for issuing a decision or for carrying out another act by the tax administrator or if the beginning of the term is derived from such a day, then the term shall stop on the day of issue of the decision by which the tax administrator calls on the party involved in tax administration to provide assistance until the fifth working day from the day when the required assistance is provided.

Section 35

Observance of the Term

(1) The term is deemed observed if at the latest on the last day of the term

- a) the act is carried out at the materially and locally competent tax administrator,
- b) a postal item containing a submission addressed to the materially and locally competent tax administrator is handed to the provider of postal services,
- c) a data message addressed to the materially and locally competent tax administrator is sent to the technical device of the tax administrator or to the technical device shared by several tax administrators (hereinafter referred to as the "technical device of the tax administrator"),
- d) a data message is sent to the data box⁵⁾ of the materially and locally competent tax administrator.

Where a term set out in time units shorter than days is concerned, the term shall be deemed observed if the required act is carried out prior to the expiry of such a term.

(2) If an act was not carried out at the materially and locally competent tax administrator, the term shall be deemed observed if such an act is carried out at a superior tax administrator or at another materially competent tax administrator at the latest on the last day of the term.

(3) When in doubt, the term shall be deemed observed unless the contrary is proven.

Section 36

Extension of the Term

(1) Where requested for a serious reason by the party involved in tax administration, the tax administrator shall allow the extension of the term set out by the tax administrator, provided that the request for the extension of the term was filed prior to the expiry of such a term; a statutory term may also be extended on the same conditions if so stipulated by law.

(2) The tax administrator shall grant the first request for the extension of the term unless it is a term set out by law, and shall extend the term by no less than the period which remains, on the day when the request is filed, from the term the extension of which is requested unless a shorter term is requested.

(3) If the tax administrator does not issue the decision by the time by which the term is to be extended at the request, or if it does not issue the decision within 30 days from the day when it received the request, the request shall be deemed granted. If notification of the decision which did not fully grant the request takes place after the expiry of the set term the extension of which

was requested, such a term shall end upon the expiry of as many days after the notification of such a decision as the number of days that remained until the expiry of the set term at the time when the request was filed.

(4) At the request of the tax subject or at its own initiative, the tax administrator may extend the term for filing a regular tax statement by as much as 3 months. If the object of the tax also includes income that is the object of tax abroad, the tax administrator may, at the request of the tax subject in justified cases, extend the term for filing a tax return to last up to 10 months after the end of the period of taxation.

(5) The term may not be extended if it is a term with which the expiry of a right is associated under the law.

(6) No legal remedies may be filed against the decision on a request for extending a term.

Section 37

Restoration of the Term

(1) The party involved in tax administration may request the tax administrator to restore the term.

(2) Where there is a serious reason, the tax administrator shall allow the restoration of the term set out by tax law or by the tax administrator if the term has already expired prior to filing the request, and shall set out the new expiry date of the term.

(3) The request for the restoration of the term must be filed within 15 days from the day when the reason for the non-observance of the term ceased to exist.

(4) Restoration of the term may not be allowed if more than 1 year expired from the last day of the non-observed term, or if it is a term

a) for assessing the tax,

b) for paying the tax, or

c) for filing a regular tax statement or additional tax statement.

(5) If the request for the restoration of the term is granted, the decision shall not state the grounds of the decision.

Section 38

Protection from Failure to Act

(1) The party involved in tax administration may file a motion with the closest superior tax administrator if the tax administrator does not proceed in the proceedings without undue delays, namely because

a) the term set out by law in which the tax administrator was to carry out an act expired without such an act having been carried out,

b) the tax administrator failed to carry out an act within a term that is usual for carrying out such an act in tax administration, or

c) the tax administrator failed to issue the decision without undue delay after collecting the supporting documents necessary for the decision.

(2) If the conditions referred to in [Subsection 1](#) are not met, a motion may be filed if the tax administrator failed to issue the decision, although 3 months expired from the day when the last act was carried out towards or by the person filing the motion in the proceedings to which the assumed failure to act relates.

(3) The closest superior tax administrator shall examine the motion and if the motion is justified, it shall order the tax administrator, no later than within 30 days from the receipt of the motion, to remedy the situation. If the tax administrator fails to remedy the situation within 30 days from the receipt of the order, the closest superior tax administrator shall remedy the situation without undue delay and shall notify the person who filed the motion of the taken measures.

(4) If the closest superior tax administrator does not find the motion justified, it shall shelve the motion and notify the person who filed the motion of such a fact including the reasons within 30 days. If the reason for shelving the motion is the fact that the tax administrator has not yet collected the supporting documents necessary for the decision, the notification shall also include the information which documents are still lacking.

CHAPTER III

SERVICE

Division 1

General Provisions on Service

Section 39

Methods of Service

(1) The tax administrator shall serve a document

- a) during oral proceedings or another act, or
- b) electronically.

(2) If a document cannot be served under [Subsection 1](#), the tax administrator shall serve it by means of a consignment served by

- a) a provider of postal services,
- b) an official person charged with service, or
- c) another authority, for which this is stipulated by law.

(3) A document can be served through a provider of postal services only if under a concluded post contract⁶⁾ an obligation to serve the consignment containing the document arises upon the provider of postal services in a way stipulated for service by this Act.

Section 40

Service into Own Hands

Documents shall be served into own hands if

a) the day of service is decisive for the beginning of the term set out by a legal regulation or by a decision of the tax administrator,

b) so stipulated by law, or

c) so set out by the tax administrator.

Section 41

Service on Representatives

(1) If the person on which a document is to be served has a representative, the documents shall only be served on the representative to the extent of their authorisation for representation.

(2) If the person whose situation is concerned in the document to be served is to do something in person, the document shall be served on them as well as on their representative. Where a document is to be served simultaneously on the person as well as on their representative, the day of service decisive for the beginning of the term is the day of the document service which comes later.

Division 2

Electronic Service

Section 42

Service through the Data Box

A party that has access to a data box shall be served electronically under another legal regulation⁵⁾.

Division 3

Service through Consignment

Section 43

General Provisions on Service through Consignment

(1) A party on which a document is to be served or their representative for tax administration (hereinafter referred to as "addressee") as well as the person who receives the document on behalf of the addressee may be served with the document in their flat, place of business, workplace or anywhere they are reached.

(2) The addressee or the person who receives the document on behalf of the addressee is obliged to identify themselves and provide other necessary information for the service when requested by the person who is serving the document or through which the document is being served.

Section 44

Service on Natural Persons

(1) Documents intended for a natural person shall be served to the address of their residence, the address recorded in the information system of the register of inhabitants to which documents are to be served on them, or the address of their residence abroad.

(2) Where a document related to the entrepreneurial activity of a natural person is to be served, the provisions on service on legal entities shall apply accordingly. If the natural person as an entrepreneur is not registered in a public register, documents shall be served on them to the address of their residence.

(3) If a natural person requests the tax administrator for service to another address in the Czech Republic, documents shall be served to such an address.

(4) Documents intended for service into the own hands of the addressee shall be served directly on the addressee. If the addressee of the document to be served into own hands was not reached at the address for service, the document shall be stored and the addressee shall be instructed in a suitable manner to collect it within 10 days.

(5) A document which does not have to be served into own hands and the receipt of which is to be confirmed shall be served directly on the addressee or another appropriate natural person who stays at the address for service or in its close surroundings, provided that they agree to hand the document over to the addressee. If it cannot be served in this manner, the document shall be stored and the addressee shall be instructed in a suitable manner to collect it within 10 days.

(6) A document which does not have to be served into own hands and the receipt of which is not to be confirmed by the addressee may also be served by putting it into the house mail box or another mail box used by the addressee or to another suitable place.

Section 45

Service on Legal Entities

(1) Documents intended for a legal entity shall be served to the address of its registered office. Documents intended for a foreign legal entity shall be served to the address of the registered office of a branch office or other branch of its business enterprise established in the Czech Republic, provided that such documents relate to the activity of such a branch office or other branch.

(2) If a legal entity requests the tax administrator for service to another address in the Czech Republic, documents shall be served to such an address.

(3) If the addressee is a legal entity, the person authorised to act on behalf of the legal entity may receive the document. A document that does not have to be served into own hands may be served to any employee of the legal entity or another appropriate natural person who is present in the place of service or in its close surroundings, provided that they agree to hand the document over to the addressee.

(4) If the person authorised to receive the document under [Subsection 3](#) was not reached at the address for service of a document intended for service into own hands or another document the receipt of which is also to be confirmed, the document shall be stored and the addressee shall be instructed in a suitable manner to collect it within 10 days. A document that was not collected within the set term may be served by the tax administrator to the address of residence of the natural person authorised to act on behalf of such a legal entity under [Section 24 Subsection 2](#), provided that the address of their residence is known to the tax administrator.

(5) The provisions of [Subsection 1 through 4](#) shall apply accordingly to the service on public authorities.

Section 46

Storage of Documents

(1) The document shall be stored

a) at the tax administrator whose document is being served or at the tax administrator which was requested to serve the document, or

b) at the provider of postal services if it is being served through it.

(2) In the notice of the document storage, which is put into the house mail box or another mail box used by the addressee or to another suitable place, the addressee shall be called to collect the document, and the notice shall also state the identification of the tax administrator whose document is being served, the person on whom it is being served, when and from what day and at what hours the document is ready for collection; at the same time, the addressee shall be instructed in writing on the legal consequences of the failure to collect the document.

(3) Without prior service attempt, a document may be stored if the addressee requested, in advance in writing, the party which serves the document or through which the document is served for storing documents.

Section 47

Effects of Service

(1) A document which is to be served into own hands or the receipt of which is to be confirmed by the addressee shall be deemed served at the moment when the consignment containing the served document is received by the addressee or another person authorised to receive the document under the law.

(2) If the addressee fails to collect the stored document within 10 days following the day it was placed in storage, the document shall be deemed served on the last day of such a term even if the addressee did not know about the storage.

(3) If the addressee refuses to receive the document, such a document shall be deemed served on the day when its receipt was refused, and shall be returned to the tax administrator; at the same time, the addressee shall be instructed on the legal consequences of the refusal to cooperate. If a written instruction cannot be handed over due to a refusal to cooperate, it can be left in the house mail box or another mail box used by the addressee or in any other suitable place.

(4) If the document to be served is stored at a provider of postal services, the provider of postal services shall inform the sending tax administrator without undue delay that the term for which the document was stored has expired without the document having been collected.

(5) Where the term for collecting a document has expired without the document having been collected, such a document shall be put by the serving person into the house mail box or another mail box used by the addressee, unless this is excluded by the tax administrator in advance. If there is no such mail box or if this manner of familiarisation of the addressee with the content of the document is excluded by the tax administrator, the document shall be returned to the sending tax administrator.

(6) If the addressee requests that the documents to be served on them are not to be put into the house mail box or another mail box used by them after the term for their collecting expires without them having been collected, the tax administrator shall exclude this manner of familiarisation of the addressee with the served document in advance.

Section 48

Ineffectiveness of Service

(1) The addressee who could not collect the stored document within the set term for a serious and unforeseeable reason may request the tax administrator which served the document to pronounce the ineffectiveness of the service.

(2) The request shall be filed within 15 days from the day when the addressee actually familiarised themselves with the served document, but no later than within 6 months from the service.

(3) If the tax administrator finds the request justified, it shall pronounce the ineffectiveness of the service, otherwise it shall refuse the request; then the document shall be deemed served on the day of the notification of the decision to pronounce the ineffectiveness of the service.

Division 4

Special Methods of Service

Section 49

Service through Public Notice

(1) A document shall be served through a public notice

a) on a party of unknown residence or registered office, unless a representative is appointed for such a party under [Section 26 Subsection 1 Paragraph c](#)), and on a party that is not known, or

b) in proceedings in which a large or indefinite number of addressees shall be served.

(2) A public notice shall be posted by the tax administrator for no less than 15 days on its official noticeboard and, at the same time, it shall be published by the tax administrator in a manner allowing remote access. A public notice shall contain information about the place where the document is stored, the specification of the document, and the possibility of its collection.

(3) A document shall be deemed served on the day when it is collected by the addressee. If the addressee fails to collect the document served through a public notice within 15 days from the day when it was posted on the official noticeboard of the tax administrator, the document shall be deemed served on the last day of such a term.

(4) In the public notice, the tax administrator shall state the date of its posting on the official noticeboard and the date of its removal.

(5) If documents are to be served on the parties stated in [Subsection 1 Paragraph a](#)) or through a collective assessment list, the public notice issued under [Subsection 2](#) shall also be published, at the tax administrator's request, by the municipal authority in the place of the addressee's last known residence or registered office or by the municipal authority in the area of whose local competence the object of the tax is located.

Section 50

Service of the Collective Assessment List

(1) If the law stipulates that the tax administrator shall assess tax for tax subjects by means of a collective assessment list, the tax administrator shall make the collective assessment list available for inspection for no less than 30 days; specification of the tax, as well as the place and time when the collective assessment list may be inspected shall be published by the tax

administrator by means of a public notice which shall be posted by the tax administrator for no less than 30 days.

(2) The thirtieth day after the collective assessment list is made available shall be deemed to be the day of its service.

(3) When inspecting the collective assessment list, the tax subject shall only have access to the data relating to the tax assessed for the given tax subject.

Division 5

Proof of Service

Section 51

(1) The service of documents which are to be served into own hands or the receipt of which is to be confirmed by the addressee shall be confirmed by the serving person with a duly filled-out return receipt, which is a public document.

(2) Depending on the selected method of service and the circumstances occurring during the service, the return receipt shall contain

- a) identification of the tax administrator that serves the document,
- b) identification of the addressee and the address to which the document is being served on them,
- c) specification of the document being served,
- d) method of service,
- e) information about the date and method of storing the document if the document was stored, and about the date when it is ready for collection, if such a date differs from the date of storing,
- f) information about the date of service of the document or about the date of its return to the tax administrator,
- g) information about the date when the receipt of the document was refused, the method of instruction on the consequences of refusal, and the reasons for refusal,
- h) the name and signature of the person who received the document, or the name of the person who refused to receive the document; if such a person was not the addressee, their relationship with the addressee shall be stated, and where service into own hands is concerned, the method of proving the authorisation to receive the document on behalf of the addressee shall be stated as well,
- i) signature of the person who handed over the served document to the addressee or stored the document, which confirms the correctness of the information stated in the proof of service and the procedure taken in the service, and their name.

(3) If the return receipt gets lost, destroyed or damaged or is not duly filled out, the service may be proved in another manner, for example by the fact that it is obvious from the addressee's course of action that the document has been served on them.

(4) If an official person does not serve a document in a sealed envelope with a return receipt, the service of the document into own hands shall be proved on its copy containing the essential elements referred to in [Subsection 2 Paragraphs a\), f\), h\) and i\)](#).

(5) Where a document is served during oral proceedings or during another act carried out as a part of tax administration, the service of a document into own hands shall be proved through the signatures of the official person and addressee in the transcript. The effects of the service arise even if the addressee refused to sign the transcript. The refusal to sign and the reasons for the refusal shall be recorded in the transcript.

(6) If the addressee cannot confirm the receipt of the served document due to physical indisposition, another adult person shall sign as a witness and add the reason why the receipt could not be confirmed by the addressee; such a person's signature is a substitute for the addressee's signature.

CHAPTER IV

PROTECTION AND PROVISION OF INFORMATION

Obligation of Confidentiality

Section 52

(1) Official persons and persons involved in tax administration are obliged to keep what they learn in tax administration about the situation of other persons confidential. This shall not apply to a tax subject, as far as the information obtained or used in the administration of their taxes is concerned.

(2) The tax subject may release the tax administrator or another party involved in tax administration from the obligation to keep the information that relates to them and the information that was used in proving their obligations in tax administration confidential, while stating the extent of the information and the purpose of the release. If the tax subject is dissolved without a legal successor or dies without an heir, the Minister of Finance is the person who is authorised to release them from the obligation of confidentiality.

(3) The obligation of confidentiality shall not relate to information that is publicly known or that is publicly available from the information systems of the public administration.

(4) The publication of generalised information obtained in tax administration from which it does not follow to what person it relates is not a breach of the obligation of confidentiality.

(5) The obligation of confidentiality is not breached when an official person provides information to

- a) an official person of the same or another tax administrator for the exercise of its powers,
- b) an official person during the fulfilment of obligations in the matters of archiving, or
- c) a party involved in tax administration to the extent to which their rights and obligations are affected by the tax administration.

(6) The obligation of confidentiality shall not apply to information that is obtained in tax administration and is published within the fulfilment of the obligation to provide information to be fulfilled by a provider of public aid or small-scale aid under another Act or directly applicable regulation of the European Union or decision of the European Commission in the area of public aids.

Section 53

(1) The obligation of confidentiality is not breached when the tax administrator provides

information obtained in tax administration to

a) the Financial Analysis Office under the Act on Certain Measures against Money Laundering and Terrorist Financing or under the Act on the Execution of International Sanctions,

b) a public aid coordination authority under the Act regulating certain relations in the field of public aid in the fulfilment of the obligation to provide information in the matter of public aid or small-scale aid provided by the tax administrator,

c) a court where

1. proceedings conducted on the motion of the tax subject in the matter of administration of their taxes are concerned,

2. exercise of a right by the tax administrator in tax administration is concerned, or

3. information necessary for the purposes of a decision on alimony is concerned,

d) an administrative authority which conducts proceedings on an administrative infringement that relates to a breach of an obligation in tax administration,

e) the Ministry of Labour and Social Affairs in the exercise of its powers and other social security authorities in the exercise of their powers where information that may be required by such authorities to the extent necessary for the fulfilment of tasks in their competence is concerned,

f) health insurance companies where information necessary for setting out the payment of general health insurance premiums is concerned that may be required by such insurance companies in the exercise of their statutory powers from insurance premium payers which are tax subjects,

g) the Supreme Audit Office and other inspection authorities, provided that they are carrying out an inspection within the scope of their authorisation under an approved plan of inspection activities and provided that they are authorised to inspect tax administration,

h) the Czech Statistical Office where information necessary for the purposes of compilation of national accounts of the European Communities and for the purposes of the maintenance of statistical registers is concerned,

i) the Chamber of Tax Advisers or the Czech Bar Association for disciplinary proceedings with their members, as well as to the authority which appointed an expert or interpreter for the proceedings on their removal,

j) the competent public authority to address a claim under the Act on liability for damage caused in tax administration by the execution of public authority through a decision or by an incorrect official procedure,

k) the Ombudsman if they are conducting an investigation under another legal regulation.

(2) The obligation of confidentiality is also not breached when the tax administrator provides information obtained in tax administration for the purposes of criminal proceedings if such information is required by the public prosecutor and, after the submission of an indictment, by the court in connection with the clarification of the circumstances indicating that any of the following criminal offences was committed

a) any of the tax and fee criminal offences which relate to a breach of an obligation in tax administration,

b) a criminal offence where the failure to prevent or report such a criminal offence is a criminal offence,

c) a criminal offence of a grant scam, a criminal offence of a misrepresentation of data on the state of the economy and assets, and a criminal offence of damaging the financial interests of the European Communities,

d) any of the criminal offences against the execution of the powers of a public authority and official person, any of the criminal offences of official persons, any of the criminal offences of corruption, and a criminal offence of obstructing the execution of an official decision, or

e) a criminal offence of the presentation of counterfeit and altered money, counterfeiting and the alteration of public documents, and unauthorised production and the possession of a State seal and official stamp.

(3) The tax administrator has the reporting obligation under the law⁷⁾ if, in the course of its activities, it ascertains any facts indicating that any of the criminal offences referred to in [Subsection 2](#) was committed.

Section 54

(1) The tax administrator shall provide information under [Section 53](#) for the purpose and to the extent stipulated by the law. Depending on the form of the provision of information, the tax administrator shall draw up a transcript or official record of the extent of the provided information.

(2) The tax administrator may provide information under [Section 53](#) in accordance with the procedure agreed in a written agreement made between the tax administrator which collects the information and the competent public authority.

Section 55

(1) The tax administrator shall create conditions for the observance of the obligation of confidentiality. This shall also apply to the access and protection of information kept in electronic form.

(2) The persons who became familiarised with the information provided by the tax administrator may only use it for the purposes set out by law and are obliged to keep such information confidential under this Act. Responsibility for the creation of conditions for the observance of the obligation of confidentiality shall be held by the competent public authority which requested the information.

(3) The use of information obtained in tax administration for conduct benefiting the person bound by the obligation of confidentiality or another person, or the use of such information for conduct that could cause harm to someone shall also be deemed to be a breach of the obligation of confidentiality.

(4) The obligation of confidentiality of an official person shall not expire if such a person ceases to participate in the execution of powers of the tax administrator.

Section 56

The Obligation of the Tax Administrator to Provide Information

(1) The tax administrator shall set out and publish

a) the office hours for the public during which submissions may be made orally in the transcript or files may be inspected, in particular, and the working hours of the tax administrator during which the filing office of the tax administrator is open,

b) the electronic address of its filing office, the form of the technical carrier of data messages, as

well as the formats and structures of data messages it is able to receive,

c) other technical means by which such submission may be made that has to be confirmed on the conditions under [Section 71 Subsection 3](#), and what submissions may be made in this manner,

d) the numbers of accounts to which it accepts payments, and the method of identification of payments to such accounts according to various taxes administered by it,

e) the types of taxes that can be paid by direct debit under the Act regulating payment systems or by multiple-recipient payments secured by the provider of postal services, and the conditions that have to be met when making such payments,

f) the types of taxes that can be paid by cashless transfer for which the payment order is given through a payment card or similar means of payment, and the conditions that have to be met when making such payments.

(2) The information referred to in [Subsection 1](#) shall be published by the tax administrator on its official noticeboard and in a manner allowing remote access.

(3) The tax administrator shall publish, in a suitable manner, information about the legal regulations that relate to the competence of such a tax administrator, and information about their amendments.

Provision of Information to the Tax Administrator

Section 57

(1) The obligation to provide information at the request of the tax administrator shall be fulfilled by the public authorities and parties that

a) keep registers of persons or items,

b) provide a performance that is subject to tax,

c) conduct proceedings in cases the object of which is subject to tax liability, or

d) obtain other information necessary for tax administration.

(2) At the request of the tax administrator, health insurance companies are obliged to provide information they are authorised to collect under the law.

(3) At the request of the tax administrator, banks, savings and credit unions, payment institutions, small-range payment services providers, electronic money institutions and small-range electronic money issuers (hereinafter referred to as a “payment service provider”) are obliged to provide information about

a) account numbers and other unique identifiers,

b) account holders and persons authorised to handle funds on accounts,

c) account balances and movements of funds, and information about the persons who deposited the funds to the account, and about the recipients of payments,

d) credits, custody, and leases of safe-deposit boxes.

(4) At the request of the tax administrator, the providers of postal services are obliged to provide information about postal consignments, postal money orders and rented post-office

boxes, including information about their recipients and lessors.

(5) At the request of the tax administrator, entrepreneurs providing a publicly available telephone service are obliged to provide information collected by them about participants in the publicly available telephone services.

(6) At the request of the tax administrator, publishers of periodical press are obliged to provide the name and address of the party which ordered an advertisement published under a reference.

§ 57a

(1) At the request of the tax administrator, an obliged person under the Act on Certain Measures against Money Laundering and Terrorist Financing, even where they are a party under Section 57, is obliged to provide the following information or documents³⁰⁾:

- a) information obtained when identifying the client,
- b) information obtained when checking the client under Section 9 Subsection 2 Paragraphs a) through c) of the Act on Certain Measures against Money Laundering and Terrorist Financing,
- c) information about the method of obtaining the information referred to in Paragraphs a) and b),
- d) documents obtained when identifying and checking the client, which contain the information referred to in Paragraphs a) and b).

(2) If the obliged person referred to in Subsection 1 is an attorney, notary, tax advisor, court executor or auditor, the information and documents referred to in Subsection 1 may only be requested by the central liaison office under the Act regulating international cooperation in tax administration, and only for the purpose of carrying out international cooperation in tax administration. The provisions of Section 26 Subsection 1 and 2 and Section 27 Subsection 1, 2 and 4 of the Act on Certain Measures against Money Laundering and Terrorist Financing shall apply by analogy.

Section 58

(1) At the request of the tax administrator, public authorities and parties referred to in Section 57 and Section 57a are obliged to provide, free of charge, specified information or documents to the extent necessary for tax administration.

(2) The information or documents under Subsection 1 shall be provided individually or to the extent and in the manner agreed between their provider and the tax administrator.

(3) The information or documents under Section 57 and 57a may only be requested by the tax administrator if such information or documents cannot be obtained from an official register kept by the tax administrator itself; the tax administrator may only request necessary information or documents from the parties referred to in Section 57 and Section 57a if such information or documents cannot be obtained from another public authority.

Section 59

(1) Even without a request, the Supreme Audit Office and other inspection authorities⁹⁾ shall hand over to the competent tax administrators the information that is stated in inspection transcripts and relates to tax administration.

(2) The inspection authorities shall provide the ascertained information to the tax administrator within 30 days from its ascertainment in the inspection.

§ 59a

Personal Data Processing by the Tax Administrator

(1) The tax administrator

a) will designate, in the form of an official record or in another suitable manner, the personal data the accuracy of which was contested or the processing of which was objected, and will continue processing such personal data even without consent of the data subject, and

b) may administer taxes, except for issuing decisions, solely on the basis of automated personal data processing; a description of the computer algorithms and the selection criteria based on which the processing is carried out will be stated by the tax administrator in the records of personal data processing activities and will be kept by the tax administrator for no less than one year from their last use for personal data processing.

(2) The right of access to the personal data processed in tax administration will be exercised by the tax subject to the extent and in the manner set out for inspecting files or for inspecting personal tax accounts; where a third party's right of access to personal data processed in tax administration is exercised, this will apply by analogy.

(3) Where the right to object or other means of protection against personal data processing are exercised, the provisions on complaints will apply by analogy.

CHAPTER V

DOCUMENTATION

Transcript

Section 60

(1) The tax administrator shall draw up a transcript of oral submissions and proceedings in tax administration.

(2) The tax administrator may make an audio or video recording of such acts of which a transcript is to be made under the law, and such a recording shall be attached to the transcript; the tax administrator shall inform the persons who participate in such an act about such a fact in advance.

(3) The transcript shall contain, in particular,

a) the subject of the proceedings,

b) the place of the proceedings,

c) the time of the beginning and end of the proceedings,

d) identification of the tax administrator and the official person who carried out the act,

e) information enabling the identification of the persons who participated in the act,

f) description of the course of the proceedings,

- g) specification of the documents submitted during the proceedings or the main content of the documents presented for inspection,
- h) provided instructions and statements of the instructed persons,
- i) proposals given by the persons who participated in the act, or their reservations regarding the content of the transcript,
- j) statement of the tax administrator concerning the given proposals or reservations.

Section 61

(1) The transcript shall include the decisions pronounced during the proceedings.

(2) The decision that is pronounced in the course of the proceedings and that calls on the recipient of the decision to exercise a right or to fulfil an obligation shall be served by handing over a copy of the transcript; such a transcript does not have to contain an imprint of the official stamp with the national emblem.

Section 62

(1) If the transcript is not dictated aloud, it shall be read aloud before signing and shall state that it was read aloud as well as what was corrected or otherwise changed before the transcript was signed. Any crossed out items shall remain legible.

(2) The tax administrator shall record all statements concerning the matter being recorded in the transcript, proposals and reservations raised by the persons participating in the proceedings recorded in the transcript, and the tax administrator's statement concerning them.

(3) After writing down all the proposals, reservations, statements concerning them, corrections or changes in the transcript, which shall be read aloud again if the transcript was not dictated aloud, the persons participating in the proceedings recorded in the transcript and the official person shall sign the transcript.

(4) The refusal to sign and the reasons for the refusal shall be recorded in the transcript. The refusal to sign or leaving before signing the transcript without a sufficient reason shall not affect the usability of the transcript as evidence. The persons participating in the proceedings recorded in the transcript shall be informed about that in advance.

(5) After the signature, the tax administrator shall hand over a copy of the transcript to the tax subject if they participated in the proceedings, and to any other person participating in the proceedings if they request so.

(6) Any errors in writing and figures and other evident incorrectness in the transcript shall be corrected by the tax administrator in such a manner that the former record remains legible.

Section 63

Official Record

(1) Any important acts in tax administration which are not included in a transcript shall be recorded by the tax administrator in an official record which shall state such facts related to tax administration that were ascertained from oral communication, notification, notes, contents of telephone calls and other file materials, in particular.

(2) An official record shall be signed by the official person who drew it up and shall state the time when it was drawn up; this shall not apply if the official record is drawn up by an official

person electronically in a manner allowing their identification and ascertainment of a change of the content of the official record.

File

Section 64

(1) Documents relating to the rights and obligations of the tax subject shall be placed in the file kept by the competent tax administrator. Such documents are, in particular,

- a) documents containing submissions,
- b) written counterparts of decisions,
- c) transcripts,
- d) official records.

(2) In the exercise of tax administration, a document shall mean a report in paper form as well as a data message, unless this is excluded by the nature of the matter.

(3) Video and audio recordings shall also form a part of the file.

(4) A file consists of

- a) parts broken down by individual tax proceedings,
- b) a part relating to tax enforcement,
- c) a part relating to other obligations in tax administration on which proceedings are conducted,
- d) a retrieval part,
- e) a part relating to proceedings on disciplinary fines.

(5) Individual parts of the file must contain a list of all documents contained in them; documents contained in the file shall be arranged chronologically, marked with serial numbers and kept under a joint file number.

Section 65

(1) The following documents shall be placed in the retrieval part of the file

- a) documents that may be used as evidence in proceedings and the disclosure of which to the tax subject would frustrate or jeopardise the objective of tax administration or the purpose of an act or jeopardise the objectivity of evidence,
- b) documents that may be used as aids in tax assessment and the disclosure of which to the tax subject would jeopardise the interest of another tax subject or interest of other parties involved in tax administration,
- c) official records or transcripts of provided explanations if they are not used as aids,
- d) documents serving solely for the needs of the tax administrator.

(2) The documents placed in the retrieval part under [Subsection 1 Paragraph a\)](#) may be

kept in that part no longer than until the evidence has been evaluated. If it is evidence that is used in a tax inspection, it may be kept in the retrieval part no longer than until commencement of the discussion on the tax inspection report.

(3) Where a document is transferred from the retrieval part of the file to the relevant part of the file, the list of documents must clearly show which document recorded in the retrieval part has been transferred to which part, under which serial number and on which date.

Inspection of Documents

Section 66

(1) A tax subject may inspect, at the tax administrator, such parts of the file that relate to their rights and obligations and are specified by the tax subject, except for the retrieval part; under the same conditions, the tax subject may inspect the personal tax accounts maintained in the tax records concerning their tax liabilities.

(2) The tax subject may inspect the list of documents contained in the retrieval part of the file. The content of individual documents must not be evident from the list provided in this manner.

(3) If the interest of another tax subject or other parties involved in tax administration or the objective of tax administration is not jeopardised, the tax administrator may, in justified cases when necessary for the further course of proceedings, allow the inspection of documents even in the retrieval part of the file.

(4) The right to inspect the file may be exercised during office hours for the public unless the tax administrator allows the inspection of the file even during working hours outside office hours for the public.

Section 67

(1) Depending on the nature of the matter, a transcript or official record shall be drawn up by the tax administrator concerning each inspection of the file, and such a transcript or official record shall state which parts of the file the tax subject was allowed to inspect.

(2) Blind persons shall have the file read. The tax administrator shall allow the guide of a blind person to inspect the file and, at their request, shall also allow the making of an audio recording.

(3) At the request of the tax subject, the tax administrator shall make verbatim transcripts, copies, extracts or confirmations of facts contained in a part of the file that may be inspected, and shall provide them to the tax subject. At the request of the tax subject, the tax administrator shall also certify that they agree with the contents of the file. It shall make an official record of making the documents and issuing the certification clause.

(4) In the certification clause of the agreement with the file, the tax administrator shall state

a) whether the transcript, copy or counterpart agrees verbatim with the document from which it was made, and whether such a document is the original, transcript, copy or counterpart, and of how many sheets it consists,

b) the number of sheets the certified document contains,

c) the place and date of certification,

d) the signature of the official person and an imprint of the official stamp with the national emblem.

Section 68

(1) The tax administrator shall lend the competent public authority such a part of the file that relates to the subject of the proceedings for which it is being provided, on the conditions set out in [Section 52](#) and [53](#).

(2) The tax administrator which lent a part of the file to the competent public authority may inspect, at such a public authority, the lent part of the file, make extracts and copies from the file, and unless this is prevented by serious circumstances, may request its temporary provision for the purposes of tax proceedings.

(3) The public authority to which a part of the file was lent shall secure the observance of the conditions of confidentiality; where documents from the retrieval part of the file were lent, such an authority shall secure the observance of the conditions under [Section 66](#).

Section 69

Tax Information Box

(1) A tax administrator which is technically equipped to do so shall also provide the tax subject with the information collected in the file and on the personal tax account of such a tax subject through remote access to the extent and in the structure in which such information is collected in the tax information box of the tax subject, which is set up in the technical facility of the tax administrator.

(2) In a manner allowing remote access, the tax administrator shall publish

- a) the fact that it is technically equipped for setting up a tax information box,
- b) the scope and structure of the information collected in the tax information box and the frequency of updating such information,
- c) the conditions and procedure of inspecting the tax information box,
- d) identification of the tax administrators which collect information in the same technical facility of the tax administrator.

(3) The powers in a matter relating to a tax information box shall be executed by the locally competent tax administrator under [Section 13 Subsection 1](#).

Section 69a

Setting up and Cancelling a Tax Information Box

(1) The tax administrator shall set up or cancel the tax information box within 15 days from the receipt of the request of the tax subject.

(2) The tax administrator shall set up a tax information box, in its official capacity, for a tax subject to which a data box has been made available and for which a tax information box has not yet been set up, and shall do so without undue delay after the data box is made available.

Section 69b

Inspecting Tax Information Box

(1) The following parties shall have the right to inspect the data information box

a) the tax subject,

b) the representative of the tax subject on the condition that they are

1. authorised to represent the tax subject in tax administration to an unlimited extent before all the tax administrators which collect information in the same technical facility of the tax administrator, or
2. authorised to access the tax information box.

(2) The authorisation to represent referred to in [Subsection 1 Paragraph b\)](#) must be exercised at the competent tax administrator; [Section 29 Subsection 1](#) shall not apply.

(3) The tax information box may be inspected after logging in through a data message in the format and structure published by the tax administrator

a) and signed by a recognised electronic signature, or

b) with the certified identity of the submitting party in a manner making it possible to log in their data box.

CHAPTER VI

PROCEEDINGS AND OTHER PROCEDURES

Division 1

General Provisions on Proceedings and Other Procedures

Submission

Section 70

(1) A submission is an act of a party involved in tax administration towards the tax administrator.

(2) A submission shall be assessed on the basis of its actual content, notwithstanding how it is designated.

(3) The submission must be clear as to who is making it, what it relates to and what is proposed.

Section 71

(1) A submission may be made in writing, orally in the transcript or through a data message

a) signed in a manner with which another legal regulation connects the effects of a personal signature, or

b) with the certified identity of the submitting party in a manner making it possible to log in their data box.

(2) Written submissions and submissions made orally in the transcript must be signed by the person who is making the submission.

(3) An act made towards a tax administrator by using a data message that is not signed in a manner with which another legal regulation connects the effects of a personal signature shall also have the effects of a submission, provided that such a submission is confirmed in a manner referred to in [Subsection 1](#) within 5 days from the day when it was received by the tax administrator; such a term may neither be extended nor restored.

(4) In a manner allowing remote access, the tax administrator shall publish the information on what submissions may be made in the manner referred to in [Subsection 1 Paragraph b](#)).

Section 72

(1) An application for registration, notice of a change of the registration data, regular tax statement or additional tax statement may only be submitted by using the form issued by the Ministry of Finance or a computer printout which has the data, contents and data arrangement identical to such a form.

(2) In the forms and attachments designated in them, which form part of the submission, only such data may be required that are necessary for tax administration.

(3) Submissions under [Subsection 1](#) may also be made through a data message, by using remote access, in the format and structure published by the tax administrator, which shall be sent in the manner referred to in [Section 71 Subsection 1](#) or [3](#).

(4) If the tax subject or their representative is given access to a data box or has the legal obligation to have the financial statements audited by an auditor, they are obliged to make the submission under [Subsection 1](#) only through a data message, by using remote access, in the format and structure published by the tax administrator, which shall be sent in the manner referred to in [Section 71 Subsection 1](#).

Section 73

(1) Submissions shall be made to the competent tax administrator.

(2) A submission that is made through a data message by using remote access shall be received in the technical facility of the tax administrator or through the data box of the tax administrator.

(3) When requested, the tax administrator shall confirm a submission made in writing or through a data message. Where a data message sent to the technical facility of the tax administrator is concerned, the receipt of the submission shall be confirmed by such a facility, stating the time of the receipt of the data message.

(4) A submission which initiates proceedings may be changed or withdrawn by the party which made it until the time when the decision in the matter has been issued by the tax administrator. However, submission withdrawal is inadmissible for submissions which the party involved in tax administration is obliged to submit either directly under the law or upon the call of the tax administrator.

Section 74

Defects of Submissions

(1) If a submission has any defects due to which it cannot be discussed or any defects due to which it cannot have the expected effects for tax administration, the tax administrator shall call on the person who made the submission to remove the specified defects in accordance with

the instruction and within the term set out by the tax administrator.

(2) The call shall contain instructions on the consequences associated with the failure to remove the specified defects.

(3) If the defects of the submission are removed within the set term, the submission shall be deemed made in a due and timely manner. If the defects of the submission are not removed, the submission shall become ineffective upon the expiry of the set term, of which the tax administrator shall draw up an official record and shall notify the person who made the submission; notification is not required in cases when the person who made the submission failed to perform any act towards the tax administrator upon the call to remove the defects.

(4) If the defect of the submission only consists in the fact that the submission was made otherwise than electronically, although it was to be made electronically, it shall be deemed to be a submission without a defect; this shall only apply to the submissions for which this fact is published by the tax administrator in advance in a manner allowing remote access.

Section 75

Assignment

If the tax administrator to which a submission was made or a payment was credited is not competent to conduct proceedings in the given matter, it shall assign the submission or payment without undue delay to the competent tax administrator and shall notify the person who made the submission thereof.

Section 76

Language of Proceedings

(1) Tax administration proceedings shall be conducted and documents shall be drawn up in Czech language.

(2) Documents drawn up in a language other than Czech must be submitted in both the original wording and Czech translation, unless the tax administrator declares that it does not need such a translation or that it requires a certified translation; such a declaration may also be made by the tax administrator on its official noticeboard for an indefinite number of documents in the future.

(3) Anyone who does not speak the language in which the proceedings are conducted shall have the right to have an interpreter¹⁰⁾ who is listed in the list of interpreters and who shall be procured at such a person's own expense.

(4) A citizen of the Czech Republic who is a member of a national minority which inhabits the territory of the Czech Republic traditionally and over a long period¹¹⁾ shall have the right to make submissions and act before the tax administrator in the language of their national minority. If the tax administrator does not have an official person who has a command of the language of such a national minority, the citizen shall procure an interpreter listed in the list of interpreters. In such a case, the costs of interpreting and the costs of translations shall be borne by the tax administrator.

(5) For a deaf person, the tax administrator shall appoint a sign language interpreter at its own expense under another legal regulation¹²⁾. For a deaf person who does not have a command of sign language, the tax administrator shall appoint an intermediary who is able to communicate with them by the method of clear articulation. For a person who is both deaf and blind, an intermediary who is able to communicate with them by means of a language for deaf-blind people

shall be appointed under the same conditions.

Section 77

Exclusion of an Official Person

(1) An official person shall be excluded for bias from proceedings or another procedure in tax administration if

a) the right or obligation of a person close to them is the subject of the proceedings or another procedure,

b) they participated in the same matter in the proceedings or another procedure in a different instance, or

c) their relationship to the party involved in the tax administration or to the object of the tax raises other doubts about their lack of bias.

(2) The party involved in tax administration may object to the bias of an official person as soon as they become aware of it. The official person is obliged to notify the official person heading the tax administrator of the circumstances indicating bias without undue delay.

(3) The official person whose lack of bias is reasonably doubted may only carry out urgent acts in the matter until the time when it is decided whether they are excluded.

(4) The decision whether the official person is excluded shall be made by the person heading the tax administrator; if the official person is excluded, the heading person shall designate, instead of them, another official person who is not subordinate to the excluded official person. If there is no such unbiased official person, the official person heading the tax administrator shall request the closest superior tax administrator to request another tax administrator to carry out the acts which would otherwise fall within the competence of the biased official person, unless such acts are carried out by the superior tax administrator itself.

(5) When in doubt as to the lack of bias of the official person heading the tax administrator, the decision whether they are excluded shall be made by their closest superior tax administrator; if such an official person is excluded, their closest superior tax administrator shall decide on the delegation under [Section 18](#) to another tax administrator.

(6) The provisions of the preceding Subsections shall not apply to the official persons heading the central administrative authorities.

(7) The decision whether the official person is excluded shall be served on the concerned official person and the tax subject. If the proceedings on whether the official person is to be excluded were initiated on the basis of an objection raised by another party involved in tax administration, the tax administrator shall notify them of the result of such proceedings. No legal remedies may be filed against the decision on whether an official person is excluded.

(8) The provisions of [Subsection 1 through 4](#) and [7](#) shall apply accordingly to experts and interpreters.

Division 2

Procedures in Tax Administration

Section 78

Searching Activity

(1) The tax administrator shall search for evidence and tax subjects, and shall ascertain fulfilment of their obligations in tax administration before and in the course of proceedings.

(2) The searching activity shall be carried out by the tax administrator even without cooperation with the tax subject.

(3) As part of the searching activity, the tax administrator

a) shall verify the completeness of records or registration of tax subjects,

b) shall ascertain information relating to income, property relations and other facts decisive for correct tax ascertainment, assessment and payment,

c) shall collect and process information and use information systems to the extent under [Section 9 Subsection 3](#),

d) shall obtain necessary explanations,

e) shall carry out local investigations.

(4) A tax administrator that is not locally competent may also carry out local investigation without request.

Section 79

Explanation

(1) As part of the searching activity, the tax administrator shall obtain necessary explanations to verify facts decisive for the fulfilment of tax administration objectives, provided that such facts cannot be verified by another official procedure.

(2) Everyone is obliged to provide explanation to the tax administrator; [Section 96 Subsection 2 through 4](#) shall apply accordingly to the refusal to provide explanation.

(3) The provided explanation may not be used as evidence.

(4) Depending on the nature of the explanation, the tax administrator shall draw up a transcript or official record of the provided explanation.

Local Investigation

Section 80

(1) The tax administrator may carry out local investigations. As part of such procedure, the tax administrator shall, in particular, search for evidence and carry out examinations at tax subjects and other parties involved in tax administration, as well as in the place where this is most suitable with regard to the purpose of the local investigation.

(2) A person whose presence is necessary with regard to the nature of the matter may be invited by the tax administrator to participate in the local investigation.

(3) Depending on the nature of the investigation, the tax administrator shall draw up a transcript or official record of the local investigation.

(4) The tax administrator may make a video or audio recording of the facts documenting

the course of the act, of which the persons who participate in such an act shall be informed by the tax administrator in advance.

Section 81

(1) At the time reasonable with regard to the subject of the local investigation, in particular at the time of operation, the official person conducting the local investigation shall have the right of access to the lands, each operational building, room and place, including the means of transport and transport packaging, accounting records or other information, even those kept on technical data carriers, to the extent necessary for attaining the tax administration objective. It shall also have this right in respect of the dwelling that is also used by the tax subject for an entrepreneurial activity, if this is necessary and if the decisive facts cannot be ascertained in another manner.

(2) The tax administrator may make or request an extract or copy of accounting records or other information, even on technical data carriers.

(3) To the extent necessary for the verification of data on technical data carriers, the tax administrator shall have the right to the information about the used computer technology programs and may use the software in which the information was obtained.

Section 82

(1) The tax subject and other present persons are obliged to provide the official person who carries out the local investigation with all reasonable means and necessary assistance in order to carry out the local investigation efficiently.

(2) The parties at which the local investigation is being carried out are obliged to lend the tax administrator the documents and other items necessary for tax administration, which are required by the tax administrator, even outside their premises, otherwise the tax administrator shall impound such items by the procedure under [Section 83](#).

(3) The tax administrator may request or take samples of items from the party at which the local investigation is being carried out, for the purposes of a more detailed assessment or expert examination. The samples obtained in this way shall be returned after the expert examination or assessment, provided that their nature allows so.

(4) The lending of documents and other items or the taking of samples shall be confirmed by the tax administrator when taking them. The documents and other items taken over or the samples taken shall be returned by the tax administrator to the person from which it took it over, at the latest within 30 days from their taking. In particularly complicated cases, especially if the lent documents and other items or taken samples must undergo an external expert examination, such a term may be extended by the closest superior tax administrator; if the reasons for lending still exist, such a term may be extended repeatedly for important reasons.

Section 83

(1) During a local investigation, the tax administrator may impound items that may serve as evidence if there is a reasonable concern that the concerned evidence could not be provided at all later or could only be provided with great difficulty.

(2) When impounding an item, the tax administrator may, depending on the nature of such an item,

a) take over the item and move it to a suitable place,

b) mark the item as impounded and leave it in the place without preventing access to the item, or

c) mark the item as impounded and, after taking over all the means that make it possible to access the item, secure the premises where the items are located with an official seal.

(3) If during a local investigation an item was impounded, the tax administrator shall hand over a copy of the transcript which includes the decision on the impoundage of the item to the concerned person even without their request.

(4) If the reasons for impoundage of the item cease to exist, the tax administrator shall, without undue delay, reverse the decision on impoundage and return the impounded item to the owner or to the party from which it was taken over.

(5) If a transcript of the impoundage of an item cannot be drawn up, an official record shall be drawn up thereof, stating the reasons why a transcript could not be drawn up; in such a case, the decision on the impoundage of the item shall be communicated separately.

Section 84

(1) If the lent or impounded items cannot be returned to their owner or to the party which lent them or from which they were taken over as part of the impoundage, because they are not known or did not collect the items even on the tax administrator's call, or where items the sale of which is prohibited or which cannot be traded without a licence are concerned, the tax administrator may decide on their forfeiture for the benefit of the State; an appeal timely filed against such a decision shall have a suspensive effect.

(2) If the owner of lent or impounded items is not known to the tax administrator, the decision on the forfeiture of the item must be posted on the official noticeboard of the tax administrator for no less than 60 days.

(3) As for the items the owner of which is not known, the decision of the tax administrator shall state, as the recipient instead of the owner, the day, time and place of lending or impounding the item and, where appropriate, further specifying circumstances or information.

Tax Inspection

Section 85

(1) The subject of a tax inspection is the tax liabilities, statements of a tax subject or other circumstances decisive for correct tax ascertainment and assessment relating to single tax proceedings.

(2) A tax inspection shall be carried out at the tax subject or in the place where this is most suitable with regard to the purpose of the inspection.

(3) The tax administrator shall examine the subject of the tax inspection to the specified extent. In the course of the tax inspection, its extent may be extended or reduced by the procedure for its initiation.

(4) A tax inspection may be carried out jointly for several tax proceedings relating to one tax subject. The tax administrator may also initiate a tax inspection for other tax proceedings by extending the tax inspection being carried out in respect of other tax proceedings.

(5) A tax inspection that relates to facts that had already been inspected in accordance with the specified extent may only be repeated if a) the tax administrator ascertains new facts or evidence that could not be used during the former tax inspection without any fault on the tax administrator's part and that raise doubt about the correctness, provability or completeness of the tax assessed until that time or about the tax subject's statements; this way, a tax inspection may

only be repeated to the extent that corresponds to the newly ascertained facts or evidence, or b) the tax subject carries out an act by which they change the statements made until that time; this way, a tax inspection may only be repeated to the extent which corresponds to the change of the tax subject's statement made until that time.

(6) The tax administrator shall inform the tax subject about the reasons for repeating the tax inspection when the inspection is initiated.

Section 86

(1) The tax subject is obliged to allow the tax administrator to initiate and carry out a tax inspection.

(2) The tax subject at which a tax inspection is being carried out shall have the right to

a) be present in talks with the tax subject's employees or other persons who carry out the tax subject's activities,

b) submit evidence in the course of the tax inspection or propose adducing such evidence the tax subject does not have at their disposal,

c) dispel doubts expressed by the tax administrator.

(3) The tax subject at which a tax inspection is being carried out shall fulfil obligations under [Section 82](#) and is also obliged

a) to secure a suitable place and conditions for carrying out the tax inspection,

b) to provide necessary information about its own organisation structure, tasks of individual departments, powers of individual employees or other persons carrying out the tax subject's activity, and the storage of accounting records and other information; this shall not apply to natural persons who do not carry out an entrepreneurial activity,

c) to submit evidence proving their statements,

d) to allow talks with any of their employees or other persons who carry out the tax subject's activities,

e) not to conceal any evidence they have at their disposal or about which they know where such evidence is located.

(4) When carrying out a tax inspection, the tax administrator shall also have the powers under [Section 80 through 84](#).

Section 87

(1) A tax inspection is initiated by the first act of the tax administrator towards the tax subject during which the subject and extent of the tax inspection are specified and during which the tax administrator begins to ascertain tax liabilities or examine statements of the tax subject or other circumstances decisive for correct tax ascertainment and assessment. If the local competence has changed in the course of the tax inspection, the tax inspection may be completed by the tax administrator which initiated it.

(2) If the tax subject does not make it possible for the tax administrator to initiate a tax inspection, they may be called upon by the tax administrator to do so.

(3) In the call, the tax administrator shall set out

a) the place of initiation of the tax inspection,

b) the subject of the tax inspection,

c) the term which begins on the day of service and within which the tax subject is obliged to notify the tax administrator of the day and hour within the office hours of the tax administrator when they are ready for the initiation of the tax inspection; such a term may not be extended.

(4) The day which has to be communicated by the tax subject under [Subsection 3 Paragraph c](#)) must be no later than the fifteenth day after the day of expiry of the term stated in the call, and must be communicated to the tax administrator no less than 3 working days before the proposed term of initiation of the tax inspection.

(5) If the tax subject fails to comply with the call referred to in [Subsection 2](#) within the set term without notifying the tax administrator of serious reasons for which they cannot comply with the call, or if the tax subject fails to make it possible to initiate the tax inspection at the communicated time and to carry it out subsequently, the tax administrator may assess the tax in accordance with aids or agree on the tax under the conditions referred to in [Section 98 Subsection 4](#).

(6) Upon the expiry of the term set out in the call without complying with the call, the effects under [Section 148 Subsection 3](#) shall apply and the obstacle to the submission of an additional tax return or additional tax summary, which was to be the subject of the tax inspection, cease to exist.

Section 88

(1) The initiation, course and completion of the tax inspection shall be recorded by the tax administrator in the tax inspection report which shall contain the result of inspection findings, including an evaluation of the evidence obtained in the course of the tax inspection, and a reference to the transcripts or official records of

a) the initiation of the tax inspection signed by the official person and the tax subject,

b) the talks conducted in the course of the tax inspection,

c) the facts ascertained by the tax administrator outside talks,

d) the familiarisation of the tax subject with the result of inspection findings,

e) the tax subject's comments containing the tax subject's statements, proposals or reservations concerning the result of inspection findings,

f) the tax administrator's opinion concerning individual statements, proposals or reservations of the tax subject.

(2) The tax administrator shall familiarise the tax subject with the result of inspection findings, including an evaluation of the evidence obtained so far, and shall submit the result of inspection findings to the tax subject for comments.

(3) At the request of the tax subject, the tax administrator shall set out a reasonable term within which the tax subject may comment on the result of inspection findings and propose its supplementation. If the result of inspection findings is not changed on the basis of such comments, no further supplementation of the result of inspection findings may be proposed during a discussion on the tax inspection report.

(4) The tax inspection report shall be signed by the inspected tax subject and the official person. After the signature, the tax administrator shall hand over a counterpart of the tax inspection report to the inspected tax subject. Upon the signature of the tax inspection report, the discussion on the tax inspection report is completed, the tax inspection report is deemed notified, and the tax inspection is completed.

(5) If the inspected tax subject refuses to familiarise themselves with the tax inspection report or discuss it or avoids discussing the tax inspection report, the tax administrator shall serve it into own hands of the tax subject; the day of service of the tax inspection report shall be deemed to be the day of its discussing and the completion of the tax inspection.

(6) Refusal of the inspected tax subject to sign the tax inspection report without a sufficient reason shall not affect the usability of the tax inspection report as evidence. The instructed tax subject must be provably instructed of such a fact in the report. At the moment of an unjustified refusal to sign, the effects of the discussion and notification of the tax inspection report and the completion of the inspection shall also apply.

Procedure to Remove Doubts

Section 89

(1) If the tax administrator has specific doubts about the correctness, provability or completeness of the filed regular tax statement or additional tax statement and other documents submitted by the tax subject or about the correctness of the data stated therein, it shall call on the tax subject to remove such doubts.

(2) In the call, the tax administrator shall state its doubts in a manner that makes it possible for the tax subject to comment on them, to supply missing data, to explain ambiguities, to correct false data or prove the truthfulness of data, and to submit evidence so as to remove such doubts.

(3) In the call on the tax subject, the tax administrator shall set out a term for removing the doubts, which must not be shorter than 15 days, and shall instruct the tax subject on the consequences associated with the failure to remove doubts or a failure to observe the term.

(4) If it follows from the submitted regular tax statement or additional tax statement that the tax subject is entitled to a tax deduction, then in the event of doubts, the tax administrator shall issue a call to remove the doubts and shall do so within 30 days from the day when such a submission was made, but no earlier than from the last day of the term set out for the submission of the regular tax statement or additional tax statement.

Section 90

(1) The course of the procedure to remove doubts shall be recorded by the tax administrator, depending on the nature of the response, in a transcript or official record in which it shall state the comments or evidence on the basis of which it considers the doubts as fully or partially removed, and the reasons for continued doubts, if any.

(2) If the doubts have not been removed and the tax amount has not been proved sufficiently credibly, the tax administrator shall notify the tax subject of the result of the procedure to remove doubts. Within 15 days from the day when the tax subject became familiarised with the current result of the procedure to remove doubts, the tax subject may file a petition for continuation in adducing evidence together with a proposal for introducing further evidence.

(3) If the tax administrator finds reasons for a continuation in adducing evidence, it shall initiate a tax inspection to the extent of such reasons. If the tax administrator does not find reasons for a continuation in adducing evidence, it shall issue a decision assessing the tax within

15 days from the day when the tax subject filed a petition for the continuation in adducing evidence.

(4) If the tax subject does not provide necessary assistance to remove doubts, the tax administrator may assess the tax in accordance with aids.

Division 3

Course of Proceedings

Section 91

Initiation of Proceedings

(1) The proceedings are initiated on the day when the competent tax administrator receives the first submission made in the matter by the party involved in tax administration, or on the day when the first act was carried out in the matter by the tax administrator towards the party involved in tax administration.

(2) If the tax subject fails to fulfil their obligation to make a submission initiating the proceedings, the tax administrator shall initiate such proceedings in its official capacity as soon as it finds out facts constituting such an obligation.

Section 92

Examination of Evidence

(1) Evidence shall be examined by the competent tax administrator or by the tax administrator requested by the competent tax administrator.

(2) The tax administrator shall make sure that the facts decisive for correct tax ascertainment and assessment are ascertained as fully as possible, and when doing so, the tax administrator is not restricted only to the proposals from tax subjects.

(3) The tax subject shall prove all the facts they are obliged to state in regular tax statements, additional tax statements and other submissions.

(4) If so required by the course of the proceedings, the tax administrator may call on the tax subject to prove the facts necessary for a correct tax assessment, provided that the necessary information cannot be obtained from the tax administrator's official register.

(5) The tax administrator shall prove

- a) notification of its own documents,
- b) facts decisive for the use of a legal presumption or legal fiction,
- c) facts refuting the credibility, provability, correctness or completeness of compulsory registers, accounting records and other records, documents and other evidence used by the tax subject,
- d) facts decisive for the assessment of the actual content of a legal conduct or other fact,
- e) facts decisive for imposing a consequence for a breach of an obligation in tax administration,
- f) facts relevant for the assessment of the purpose of a legal act and other facts relevant for tax administration, the predominant purpose of which is to obtain a tax benefit contrary to the meaning and purpose of tax legislation.

(6) If the tax subject proposes the participation of a third party in the proceedings, the tax subject is also obliged, simultaneously with the proposal, to provide the tax administrator with necessary information about such a third party and the information on which facts the tax subject intends to prove or explain through the participation of such a third party, or another reason for their participation. If the proposal is not granted, the tax administrator shall notify the tax subject thereof, giving the reason.

(7) After the examination of evidence is completed, the tax administrator shall state which facts it deems proved and which not, and based on which evidence; an official record of the evaluation of evidence shall be drawn up, unless such an evaluation is stated in another document on file.

Section 93

Evidence

(1) All the materials that may be used to ascertain the actual state of the matter and verify facts decisive for correct tax ascertainment and assessment and that are not obtained contrary to a legal regulation, including those that were obtained before initiation of the proceedings, may be used as evidence. They include statements of the tax subject, documents, expert opinions, witness testimonies and examinations of items, in particular.

(2) On the conditions referred to in [Subsection 1](#), all the materials that were handed over to the tax administrator by other public authorities and were obtained by such public authorities for the proceedings conducted by them, as well as the materials taken over from other tax proceedings or obtained in the tax administration of other tax subjects, may also be used as evidence.

(3) If a document handed over under [Subsection 2](#) is a transcript of a witness testimony, the tax administrator shall, on the proposal of the tax subject, examine the witness testimony as part of the tax proceedings on such a tax liability.

(4) The public authorities and parties which have documents and other items necessary for tax administration that may be used as evidence in tax administration, are obliged, on the conditions referred to in [Section 58](#), to surrender or lend the documents or their copies and other items for examination when requested by the tax administrator; the provision of [Section 96 Subsection 3](#) shall apply accordingly. If so required by the purpose of the proceedings, the tax administrator may request official certification of the submitted copy.

Section 94

Document

(1) A document issued by a public authority within the scope of its powers, as well as a document that is declared by law as being public confirms that it is a declaration of the public authority that issued the document, and unless the contrary is proven, it also confirms that the facts certified or confirmed therein are true.

(2) The tax administrator may require certification of the authenticity of the official stamp and signature on the document issued by a foreign authority if this is necessary in the proceedings, in particular if it doubts the authenticity of the submitted documents.

(3) For the purposes of this provision, a data message shall also be deemed to be a document.

Section 95

Expert Opinion

(1) The tax administrator may appoint an expert to prove facts decisive for correct tax ascertainment and assessment

a) if the decision depends on the assessment of questions that require expert knowledge not possessed by the tax administrator, or

b) if the tax subject does not submit an expert opinion, where such obligation is imposed on them by law, even upon a call by the tax administrator.

(2) The decision on the appointment of an expert shall be served on the expert; an appeal timely filed against such decision shall have a suspensive effect. The decision on the appointment of an expert shall also be served on the tax subject, and the tax subject may not file legal remedies against such a decision.

(3) Where an expert opinion is requested by the tax administrator, the tax subject in whose matter the expert opinion is to be submitted is obliged to cooperate with the appointed expert when the expert opinion is being drawn up. If drawing up an expert opinion requires the assistance of other parties, the tax administrator may issue a decision imposing such an obligation on them to the extent necessary for drawing up the expert opinion; an appeal timely filed against such a decision shall have a suspensive effect.

(4) If the expert is interrogated in the matter of the tax subject, the tax subject shall have the right to be present at such an interrogation and ask the expert questions relating to the submitted expert opinion. The tax administrator shall notify the tax subject in time of the fact that the expert is going to be interrogated.

Section 96

Witnesses

(1) Everyone is obliged to testify as a witness about important circumstances in tax administration that relate to other parties, if such circumstances are known to them; they must testify truthfully and not conceal anything.

(2) A person who would bring a risk of criminal prosecution to themselves or to their close persons by giving testimony may refuse to testify.

(3) A person who would breach obligations associated with keeping information secret under another legal regulation¹³⁾ or an obligation of confidentiality recognised or imposed by law¹⁴⁾ must not be interrogated as a witness, unless they are released from such an obligation by the competent authority or by the person in whose interest they have such an obligation.

(4) Before the interrogation, the tax administrator shall instruct the witness on the option to refuse to testify, on the obligation to testify truthfully and not to conceal anything and on the legal consequences of giving false or incomplete testimony.

(5) The tax subject shall have the right to be present at the interrogation of the witness and ask them questions within the scope of proving the tax subject's rights and obligations. If there is no risk of delay, the tax administrator shall notify the tax subject in time that the witness testimony will be given.

(6) In the notification of the tax subject that the witness testimony will be given, the tax administrator shall specify the matter in which the witness will testify, and identify the witness, if there is no risk that the purpose of the testimony would be frustrated.

Section 97

Obligation to Keep Records

(1) A tax subject which makes payments in cash as part of their entrepreneurial or other independent gainful activity is obliged to keep records of such payments on a continuous basis, unless they record data of such payments in other records stipulated by law.

(2) The tax administrator may order the tax subject to keep, in addition to the records stipulated by a legal regulation, special records necessary for correct tax ascertainment and assessment.

(3) The obligation to keep records under [Subsection 2](#) shall be imposed by the tax administrator in a decision. The decision must include precise specification of the data to be recorded, their breakdown and arrangement and, where appropriate, reference to the documents based on which the record is made. The tax administrator shall change or reverse the decision to impose the obligation to keep records, provided that the reasons that led to the imposition of such an obligation have changed or ceased to exist. An appeal against such decisions may be filed within 15 days from the day of their service; a timely filed appeal shall have a suspensive effect.

(4) As early as in the course of the period of taxation, the tax administrator may check the due fulfilment of the tax subject's obligation to keep records, require the documents of which records are made on a continuous basis, and issue decisions imposing the obligation to remove defects. An appeal against such a decision may be filed within 15 days from the day of its service; a timely filed appeal shall have a suspensive effect.

(5) The records and documents to which the obligation to keep records applies shall be kept by the tax subject until the expiry of the term for assessing the tax to which they relate.

Section 98

Aids and Agreement on the Tax

(1) If the tax subject fails to fulfil any of their legal obligations in proving the facts stated by them and, consequently, the tax cannot be assessed on the basis of evidence, the tax administrator shall assess the tax in accordance with the aids it has at its disposal or it obtains even without assistance by the tax subject. The use of such a procedure for tax assessment shall be stated in the statement of the decision.

(2) If the tax administrator assesses the tax in accordance with aids, it shall also take into account any ascertained circumstances from which benefits arise for the tax subject, even if such benefits were not claimed by the tax subject.

(3) Aids are, in particular,

- a) evidence that was not challenged by the tax administrator,
- b) submitted explanations,
- c) a comparison of comparable tax subjects and their tax obligations,
- d) the tax administrator's own findings obtained in tax administration.

(4) If the tax subject fails to prove their statements relating to their tax liability, and the tax cannot be assessed sufficiently reliably even in accordance with the aids the tax administrator has at its disposal, the tax administrator shall agree with the tax subject on the tax. The agreement on the tax shall be recorded in a transcript, and the amount of the agreed tax shall be stated in the decision which shall have the essential elements of a tax assessment decision and which forms a part of such a transcript; no legal remedies may be filed against such a decision.

Section 99

Preliminary Question

(1) If a question occurs in proceedings which has already been finally decided by the competent public authority, the tax administrator shall be bound by such a decision. The other questions in respect of which another public authority is competent to decide may be assessed by the tax administrator itself. The tax administrator may also file a motion with the competent public authority to initiate proceedings or may call on the tax subject or another party involved in tax administration to submit a request to initiate proceedings before the competent public authority within the term set out by the tax administrator.

(2) The tax administrator may not make a judgement whether a criminal offence, petty offence or another administrative infringement was committed, and who is responsible for it, and about questions relating to personal status.

Section 100

Summons and Bringing

(1) The tax administrator shall summon a party involved in tax administration whose personal participation in the proceedings or other similar procedure in tax administration is necessary, and shall state in the summons when, where and in what matter and for what reason they are to appear and, at the same time, shall instruct them on the legal consequences of the failure to appear, including the possibility of their bringing. The summons shall be served into own hands.

(2) If the summoned party fails to appear without a sufficient reason even after repeated summons, the tax administrator may issue a decision to bring them and may request their bringing by the competent security corps that are authorised for bringing under another legal regulation.

(3) The decision on bringing shall be served on the person to be brought through the person who is to bring them under such a decision; no legal remedies may be filed against such a decision.

Decision

Section 101

(1) The tax administrator shall impose obligations or grant rights or declare rights and obligations stipulated by law through its decisions.

(2) A decision is issued at the moment when an act aimed at its serving was carried out; a decision that is not intended for serving is issued at the moment when it is signed by an official person.

(3) The recipient of a decision is the party on which the decision imposes an obligation or to which it grants a right or for which it declares a right or obligation stipulated by law.

(4) The same right may be awarded or the same obligation may be imposed for the same reason on the same recipient of the decision only once.

(5) The recipients of the decision shall be notified of the decision. The decision shall take effect in respect of the recipient at the moment of the notification.

(6) For the purposes of this Act, notification of a decision shall mean the service of the decision or another method, as recorded in a transcript, of the recipient's familiarisation with the content of the decision.

Section 102

(1) The decision shall include

- a) the identification of the tax administrator that issued the decision,
- b) a reference number and, where appropriate, a payment order number,
- c) the identification of the recipient of the decision,
- d) the statement including a reference to the legal regulation under which the decision was issued, and where a payment obligation is concerned, also the amount and number of the account of the respective payment service provider to which the amount is to be paid,
- e) the term for performance if it must be set out,
- f) an instruction on whether an appeal may be filed against the decision, in which term it may be done, with which tax administrator the appeal shall be filed, as well as information about the exclusion of a suspensive effect where appropriate,
- g) signature of the official person, their name and position, and imprint of the official stamp; this element may be substituted by a qualified electronic signature of the official person,
- h) the date when the decision was signed.

(2) The decision shall include the grounds, unless otherwise stipulated by law.

(3) In the grounds, the tax administrator shall state the reasons for the statement(s) of the decision, and the information on how it handled the proposals and objections filed by the recipient of the decision.

(4) In the grounds of the decision that was issued on the basis of evidence, the tax administrator shall also state which facts it deems proven, which considerations it followed when evaluating the evidence, which evidence supported its findings, and how it assessed the matter in legal terms.

Section 103

(1) A decision that is in effect and against which no appeal may be filed is in full force and effect.

(2) A decision that is in effect shall be enforceable if no appeal may be filed against it or if an appeal has no suspensive effect, and if the term for performance, if set out, has expired.

(3) At the request of the recipient of the decision, the tax administrator shall mark a clause of full force and effect or enforceability on a counterpart of the decision.

Section 104

Corrections of Obvious Incorrectness

(1) The tax administrator shall correct obvious errors in writing and figures, and other obvious incorrectness in the counterparts of the decision by a corrective decision.

(2) Any obvious incorrectness in tax assessment decisions may only be corrected if the term for assessing the tax has not yet expired. If it is a decision issued when a tax is being paid, such a term shall expire upon the expiry of the term for paying the tax. Where other decisions are concerned, the term shall be assessed in accordance with the tax liability to which the corrected decision relates.

Section 105

Nullity of Decision

(1) Nullity of a decision shall be ascertained and declared at any time, in its official capacity, by the tax administrator that is the closest superior to the tax administrator which issued the decision. If it is a decision issued by the official person heading the central administrative authority, the nullity of the decision shall be ascertained and declared by such an official person on the basis of the proposal made by the committee set up by such a person.

(2) A decision is null if

- a) the tax administrator was not materially competent to issue the decision at all,
- b) it has defects that make it obviously self-contradictory or legally or de facto impracticable, or
- c) it was issued on the basis of another null decision issued by the tax administrator.

(3) A decision on the declaration of nullity shall be served on all recipients of the decision the nullity of which is declared, and no appeal against it may be filed. At the same time, the tax administrator shall declare the nullity of all the follow-up decisions that were issued by it or that were issued by a tax administrator subordinate to it.

(4) Where the decisions following one another were issued by various tax administrators, the nullity of the concerned decision and all follow-up decisions shall be declared by the tax administrator which is the closest superior to all such tax administrators.

(5) Where the tax administrator does not find a motion justified, it shall shelve the motion and notify the person who filed the motion of such a fact within 30 days.

Section 106

Discontinuance of Proceedings

(1) The tax administrator shall discontinue the proceedings by a decision if

- a) the party involved in tax administration withdrew their submission by which the proceedings are initiated unless withdrawal is excluded under the law,
- b) an obviously legally inadmissible submission is concerned,
- c) the party on whose rights and obligations the decision is to be issued ceased to exist without a legal successor,

- d) a submission was made in a matter which has already been finally decided, unless it is a decision of a provisional or interim nature,
- e) the proceedings may not continue for reasons stipulated by law, or
- f) the proceedings have become groundless.

(2) If any of the reasons for the discontinuation of the proceedings relates only to a part of their subject, the proceedings shall only be discontinued in such a part.

(3) If proceedings are discontinued under [Subsection 1 Paragraph c\)](#), the tax administrator shall not serve the decision, and no legal remedies may be filed against it; this shall not apply if there are several recipients of the decision in the matter. The day of placing the decision in the file shall be deemed to be the day of its service.

Section 107

Costs of Proceedings

(1) The costs of proceedings shall be borne by the competent tax administrator, except for the costs of the exaction of arrears and the costs incurred by the party involved in tax administration or the costs the party involved in tax administration was obliged to pay.

(2) If a third party participates in the proceedings on a call of the tax administrator, such a party shall be entitled to the reimbursement of reasonably incurred cash expenses and the loss of earnings unless otherwise stipulated by another legal regulation; this shall also apply to the costs arisen during a searching activity. Where a legal entity is concerned, it shall be entitled to the reimbursement of reasonably incurred expenses, particularly cash expenses and salaries.

(3) The claim for reimbursement may be filed by a third party with the tax administrator on the call of which they participated in the proceedings, together with documents proving the filed claims within 8 days from the day of participation, otherwise the claim shall expire.

(4) Where a representative or common representative was appointed by the tax administrator for a party involved in tax administration, such a representative or common representative shall be entitled to the reimbursement of reasonably incurred cash expenses and a loss of earnings or remuneration under another legal regulation for the acts they carried out reasonably as the representative in the matter. The claim may be filed with the tax administrator which appointed the representative, and this may be done after individual acts but no later than within 20 working days after the last act in the matter was carried out by the representative, otherwise the claim shall expire. The tax administrator may provide a reasonable advance if requested by the representative.

(5) The tax administrator shall decide on the filed claims within 15 days from their filing, and shall send the payment of the granted claim for the benefit of the entitled parties within 15 days from the issue of such a decision. An appeal against such a decision may be filed within 15 days from the day of its service.

(6) If the tax administrator paid the costs of proceedings which incurred as a result of a tax subject's failure to act or to fulfil their obligation, the tax administrator may impose on the tax subject the obligation to reimburse such costs and may deduct them directly from the personal tax account of the tax subject; the costs of proceedings incurred by a common representative shall be passed on to the represented tax subjects jointly and severally. The prescribed reimbursement of the costs of proceedings shall be due within 15 days from the day when the decision enters into full force and effect.

(7) When determining the cash expenses involving the reimbursement of travel and substance expenses and the reimbursement of proved expenses for accommodation, the applicable provisions of the Labour Code shall apply accordingly.

(8) The extent to which cash expenses, except for expenses under [Subsection 7](#), and the loss of earnings are reimbursed, and the procedure of their determination and reimbursement shall be stipulated in a Regulation of the Ministry of Finance.

CHAPTER VII

LEGAL REMEDIES AND SUPERVISORY MEANS

Division 1

General Provisions on Legal Remedies and Supervisory Means

Section 108

Use of Legal Remedies and Supervisory Means

(1) A decision issued in tax administration may be reviewed on the basis of

- a) an ordinary legal remedy, which is an appeal or remonstrance,
- b) an extraordinary legal remedy, which is a petition to permit the reopening of the proceedings, or
- c) a supervisory means, which is an order to reopen the proceedings and an order to review the decision.

(2) A remonstrance may be filed against a decision issued by the central administrative authority or the official person heading such an authority. The decision on the remonstrance shall be issued by the official person heading the central administrative authority on the basis of the proposal made by the committee set up by such a person. The provisions on appeals shall apply accordingly to the proceedings on remonstrance unless this is excluded by the nature of the matter.

(3) If in the proceedings on a legal remedy or supervisory means, the decision was issued by the official person heading the central administrative authority, such decisions, with the exception referred to in [Section 119 Subsection 2](#) and [Section 122 Subsection 2](#) may not be reviewed under legal remedies and supervisory means under this Act.

Division 2

Procedure of Appeal

General Provisions on Appeals

Section 109

(1) The recipient of the decision may appeal the decision of the tax administrator unless otherwise stipulated by law. An appeal is inadmissible if it is filed only against the grounds of the decision.

(2) A separate appeal may not be filed against a decision designated as a call by which the tax administrator calls on the recipient of the decision to exercise a right or fulfil an obligation,

unless otherwise stipulated by law.

(3) An appeal shall be filed with the tax administrator whose decision is contested by the appeal.

(4) An appeal may be filed within 30 days from the day of service of the decision against which the appeal is filed, or even before the service of such a decision.

(5) An appeal shall have no suspensive effect unless otherwise stipulated by law.

Section 110

(1) In the event of a missing, incomplete or incorrect instruction under [Section 102 Subsection 1 Paragraph f](#)) an appeal may be filed within 30 days from the day of service of the corrective decision under [Section 104](#) if issued, but no later than within 3 months from the day of service of the decision against which the appeal is filed.

(2) If the instruction permits an appeal even when the law does not permit it, and if an appeal is filed, the proceedings on the appeal shall be discontinued.

(3) If the instruction erroneously grants a suspensive effect to an appeal when the law does not grant it, a timely filed appeal shall have a suspensive effect.

Section 111

(1) The recipient of the decision may waive their right to appeal until the expiry of the term for appealing; on the day when the right to appeal is waived, the decision in respect of which such an act was carried out shall enter into full force and effect. If there are several recipients of the decision in the proceedings and all of them waived their right to file an appeal, the decision shall enter into full force and effect on the day when the last of them did so.

(2) Until the time when the decision on the appeal is issued, the appellant may change, supplement or withdraw the appeal.

(3) On the day when the appeal is withdrawn, the procedure of appeal shall be discontinued, and the decision contested by such an appeal shall enter into full force and effect. If all appellants have withdrawn the appeals they filed, the procedure of appeal shall be discontinued on the day when the appeal is withdrawn by the last of them, and the decision shall enter into full force and effect on that day.

(4) If an appeal may be filed by several recipients of the decision and only one of them files an appeal, the tax administrator which issued the contested decision shall send a copy of the appeal to the other recipients of the decision and shall call on them to comment on the filed appeal within the set term which must not be shorter than 15 days.

(5) If the local competence changed before the completion of the procedure of appeal, the procedure of appeal shall be conducted by the tax administrator which issued the contested decision and by its closest superior tax administrator.

(6) If the term for assessing the tax has already expired, the tax administrator which ascertained such a fact in the procedure of appeal shall reverse the contested decision on the tax assessment and shall discontinue the procedure of appeal.

Section 112

Elements of Appeals

(1) An appeal must have the following elements

- a) identification of the tax administrator that issued the contested decision,
- b) identification of the appellant,
- c) a reference number and, where appropriate, payment order number or another clear identification of the decision against which the appeal is filed,
- d) statement of the reasons for which the contested decision is deemed incorrect or unlawful,
- e) specification of evidence to prove the facts of the case that are stated in the appeal,
- f) proposal for a change or reversal of the decision.

(2) If the filed appeal contains defects that prevent the due handling of the matter, the tax administrator shall call on the appellant to supplement the appeal, instructing them in what terms it must be supplemented, and shall set out a reasonable term for doing so, which must not be shorter than 15 days.

(3) If the appellant removes defects that prevent the due handling of the matter, the appeal shall be deemed filed in a due and timely manner, otherwise the tax administrator shall discontinue the procedure of appeal.

Section 113

Procedure of the First Instance Tax Administrator

(1) The tax administrator whose decision is contested by an appeal,

- a) shall decide itself on the appeal if it grants the appeal in its entirety, and such a decision is not contrary to the comments of the recipients of the decision under [Section 111 Subsection 4](#),
- b) shall decide itself on the appeal if it grants the appeal only partially and dismisses the remaining part of the appeal, and such a decision is not contrary to the comments of the recipients of the decision under [Section 111 Subsection 4](#), or
- c) shall dismiss the appeal and discontinue the procedure of appeal if the filed appeal is inadmissible or was filed after the expiry of the term.

(2) If the tax administrator whose decision is contested by the appeal cannot assess all the information stated in the appeal on the basis of the results of proceedings that have already been conducted, it shall supplement the proceedings with necessary acts.

(3) If the tax administrator whose decision is contested by the appeal does not decide itself on the appeal, it shall assign the appeal with the relevant part of the file and with its opinion to the authority of appeal without undue delay.

Procedure of the Authority of Appeal

Section 114

(1) The authority of appeal is the tax administrator that is the closest superior to the tax administrator which issued the contested decision.

(2) The authority of appeal shall always review the decision contested by the appeal to the extent required in the appeal. However, the authority of appeal is not bound by the proposals

of the appellant even if the facts not claimed in the appeal influence the decision to the detriment of the appellant.

(3) If the review reveals any incorrectness or unlawfulness that was not claimed by the appellant but may have an effect on the statement of the decision on the appeal, the authority of appeal shall verify it.

(4) If the appeal was filed against a decision assessing the tax in accordance with aids, the authority of appeal shall only examine compliance with the legal conditions of the use of such tax assessment method, as well as the adequacy of the used aids.

Section 115

(1) In the procedure of appeal, the authority of appeal may examine evidence in order to supplement the supporting materials for the decision or to remove defects of the proceedings, or may order the tax administrator which issued the contested decision to carry out such a supplementation or defect removal, while setting out a reasonable term.

(2) If the authority of appeal examines evidence in the procedure of appeal, it shall, before issuing the decision, familiarise the appellant with the ascertained facts and evidence proving them, and shall allow the appellant to comment on them within the set term or to propose any further evidence. The authority of appeal shall also act accordingly if it reaches a legal opinion different from the opinion of the first instance tax administrator, and such a change would influence the decision to the detriment of the appellant.

(3) The term referred to in [Subsection 2](#) must not be longer than 15 days; a request to restore the term may be filed no later than by the issue of the decision on the appeal.

(4) After the expiry of the term referred to in [Subsection 2](#), the authority of appeal shall not take proposals for adducing further evidence into consideration.

Section 116

(1) The authority of appeal shall

- a) change the contested decision,
- b) reverse the contested decision and discontinue the procedure, or
- c) dismiss the appeal and uphold the contested decision.

(2) In the grounds of the decision on the appeal, all the reasons for which the contested decision is deemed incorrect or unlawful by the appellant must be addressed.

(3) If the authority of appeal finds out that the conditions for the decision under Section 113 Subsection 1 are met at the first instance tax administrator, it may return the matter for the decision to the first instance tax administrator together with the grounds containing a legal opinion binding on the first instance tax administrator, otherwise the authority of appeal shall decide itself on the appeal.

(4) No further appeal may be filed against the decision of the authority of appeal.

Division 3

Reopening of the Proceedings

Proceedings to Permit or Order the Reopening of the Proceedings

Section 117

(1) Proceedings completed by the final decision of the tax administrator shall be reopened on a petition of the recipient of the decision or in an official capacity if

a) any new facts or evidence came out where such facts or evidence could not be used earlier in the proceedings without any fault on the part of the recipient of the decision or the tax administrator, and could have a substantial effect on the statement of the decision,

b) the decision was made on the basis of a counterfeit or altered document or a document containing false data, false testimony of a witness, or false expert opinion,

c) the decision was achieved by a criminal offence, or

d) the decision depended on the assessment of a preliminary question, and the competent public authority issued a subsequent decision on it in a manner that has an effect on such a decision and on the proceedings preceding such a decision.

(2) Finding proceedings may not be reopened for reasons for which an additional return or additional summary may be filed.

Section 118

(1) A petition to permit a reopening of the proceedings shall be filed with the tax administrator which decided in the matter in the first instance.

(2) A petition to permit the reopening of the proceedings may be filed within 6 months from the day when the petitioner became aware of the reasons for reopening the proceedings.

(3) A petition to permit the reopening of the proceedings must state the circumstances demonstrating that the petition is justified and that the term for filing a petition to permit the reopening of the proceedings is observed.

Section 119

(1) Reopening of the proceedings shall be permitted or ordered by the tax administrator which decided in the matter in the last instance, and if such a tax administrator does not find a reason to permit the reopening, it shall dismiss the petition.

(2) Where permitting or ordering the reopening of the proceedings in a matter that was decided in the last instance by the official person heading the central administrative authority is concerned, the reopening of the proceedings shall be permitted or ordered or the petition shall be dismissed by such an official person on the basis of the proposal made by the committee set up by such a person.

(3) In the grounds of the decision, the tax administrator shall specify the reasons for which the reopening of the proceedings is permitted or ordered.

(4) Reopening of the finding proceedings may be permitted or ordered if the term for assessing the tax has not expired. Reopening of the proceedings in tax payment may be permitted or ordered if the term for paying the tax has not expired. In the other cases, the reopening of the proceedings may be permitted or ordered within 3 years from the day when the decision completing such proceedings entered into full force and effect.

(5) If the local competence changed prior to the issue of the decision permitting or ordering the reopening of the proceedings, the proceedings to permit the reopening as well as the

reopened proceedings shall be conducted by the new locally competent tax administrator. No account shall be taken of a change of the local competence that took place after the issue of the decision to permit or order the reopening of the proceedings.

Section 120

Reopened Proceedings

(1) The reopened proceedings in the matter shall be conducted by the tax administrator which decided in the matter in the first instance; if the reasons referred to in [Section 117 Subsection 1 Paragraph c](#)) occurred, the reopened proceedings in the matter shall be conducted by the tax administrator in whose proceedings such reasons occurred.

(2) The reopened proceedings shall be initiated by the issue of the decision to permit or order the reopening.

(3) Permitting or ordering the reopening of the proceedings shall have a suspensive effect in respect to the original decision until the notification of the decision issued in the matter in the reopened proceedings, except for the securing under [Section 170 and 173](#). No interest, which is tax attribution, shall arise for the duration of the suspensive effect.

(4) The new decision in the matter reverses the original decision.

Division 4

Review Proceedings

Order to Review the Decision

Section 121

(1) The tax administrator shall order, in an official capacity, to review the decision if after a preliminary assessment of the matter it arrives at the conclusion that the decision was issued contrary to a legal regulation. Any defects of proceedings that may not be reasonably believed to have an effect on the compliance of the contested decision with legal regulations shall not be taken into account.

(2) To the extent to which a decision issued in tax administration was reviewed in administrative justice, no review of the decision may be ordered.

(3) A motion to order the review of a decision shall be filed with the tax administrator which decided in the proceedings in the last instance by any tax administrator as soon as it finds out that there are legal conditions for ordering to review the decision.

(4) On the conditions referred to in [Subsection 3](#), a motion to review a decision may be filed by any party involved in tax administration. If so requested by the person who filed a motion, the tax administrator shall inform them if it found the motion justified or not.

Section 122

(1) The review of the decision shall be ordered by the tax administrator that is the closest superior to the tax administrator which decided in the matter in the last instance.

(2) Where the review of a decision of the central administrative authority or the official person heading the central administrative authority is to be ordered, the review of the decision shall be ordered by the official person heading the central administrative authority on the basis of a proposal made by the committee set up by such a person.

(3) The review of a tax assessment decision may be ordered if the term for assessing the tax has not expired. The review of a decision issued in proceedings in tax payment may be ordered if the term for paying the tax has not expired. The review of any other decision may be ordered within 3 years from the day when such a decision entered into full force and effect.

(4) If the local competence has changed since the full force and effect of the decision under review, the subsequent review proceedings shall be conducted by the new locally competent tax administrator. No account shall be taken of a change of the local competence that took place after the issue of the decision ordering the review of the decision.

Section 123

Procedure in Review Proceedings

(1) The review proceedings shall be conducted by the tax administrator which decided in the matter in the last instance.

(2) The proceedings shall be initiated by the issue of the decision ordering to review the decision.

(3) In the proceedings, the tax administrator is bound by the reasons for which the proceedings were ordered, and by the legal opinion expressed in the decision ordering to review the decision; it may supplement the proceedings and remove its defects to the same extent.

(4) The order to review the decision shall have a suspensive effect in respect of the decision under review and follow-up decisions until the time of notification of the decision issued in the matter in the review proceedings, except for the security under [Section 167 through 169](#), [Section 170](#) and [173](#). No interest, which is tax attribution, shall arise for the duration of the suspensive effect.

(5) If, after the initiation of the review proceedings, the tax administrator finds out that the conditions referred to in [Section 121 Subsection 1](#) were met, it shall issue the decision reversing or changing the original decision. Otherwise, it shall discontinue the review proceedings.

Division 5

Relation to Administrative Justice

Section 124

(1) If, in administrative justice, a petitioner demands the reversal of a decision issued by the tax administrator, the tax administrator may satisfy the petitioner by a change or reversal of such a decision in the review proceedings.

(2) The review proceedings aimed at the satisfaction of the petitioner in administrative justice shall be conducted by the tax administrator which decided in the matter in the last instance; the provisions on ordering the review of a decision shall not apply.

(3) Any new facts and proposals for adducing new evidence which were not stated by the petitioner in their action shall not be taken into account by the tax administrator in the review proceedings aimed at the satisfaction of the petitioner in administrative justice.

(4) In the review proceedings aimed at the satisfaction of the petitioner in administrative justice, the decision may not be changed to the detriment of the petitioner.

(5) No legal remedies may be filed against the decision issued in the review proceedings

aimed at the satisfaction of the petitioner in administrative justice.

Section 124a

If, in the proceedings on a cassation complaint in administrative justice, such a final decision is reversed which was issued by a regional court and based on which the tax administrator issued a new decision in the matter in line with the legal opinion of the regional court, such a decision shall become ineffective on the day of full force and effect of the new decision of the regional court by which the action is dismissed or in which the legal opinion changed from the one in the reversed final decision of the regional court.

PART THREE

SPECIAL PART ON TAX ADMINISTRATION

CHAPTER I

REGISTRATION PROCEEDINGS

Heading Omitted

Section 125

Arising of the Obligation to Register

The obligation to register shall arise to the tax subject which becomes obliged to file an application for registration for a tax.

Section 126

Application for Registration

In the application for registration, the tax subject is obliged to state the prescribed data that are necessary for tax administration.

Section 127

Notification Obligation of Registered Tax Subjects

(1) In the event of a change in the data the tax subject is obliged to state during registration, the tax subject is obliged to notify the tax administrator of such a change within 15 days from the day when the change occurred, or to apply for cancelling the registration if there are grounds to do so.

(2) The notification obligation under [Subsection 1](#) may only be fulfilled through a notice of the change of the registration data.

(3) The registered tax subject is obliged to submit to the tax administrator

a) the relevant document proving the winding-up of the tax subject and, where appropriate, a document according to which it will be decided on the cessation of the permit or licence based on which the tax subject was registered, within 15 days from the day when such a document was served on them or confirmed by them,

b) the decision of a public authority on the winding-up of the tax subject or, where appropriate, the decision on the cessation of the permit or licence based on which the tax subject was registered,

within 15 days from the day when such a decision was served on them; this procedure shall not apply if the tax subject informed the tax administrator about such facts under Paragraph a),

c) the contract for the purchase of a business enterprise or part thereof, within 15 days from its conclusion.

(4) The notification obligation under [Subsection 1](#) and [3](#) shall not apply to the data a change of which may be ascertained by the tax administrator in an automated manner from the registers or records to which it has automated access; the range of such data shall be published by the tax administrator in the manner referred to in [Section 56 Subsection 2](#).

Section 128

Procedure to Remove Doubts Concerning the Registration Data

(1) The tax administrator shall check the data stated by the tax subject in the application for registration or in the notice of the change of the registration data and if it has doubts about their correctness or completeness, it shall call on the tax subject to explain, prove or supplement or change the data, while setting out the term within which the tax subject is obliged to do so.

(2) If the tax subject complies with the call within the set term, the application for registration or the notice of the change of the registration data shall be deemed filed without any defect on the day of the original filing. If the call is complied with after the expiry of the term, the application for registration or the notice of the change of the registration data shall be deemed filed on that day.

Heading Omitted

Section 129

Decisions in the Registration Proceedings

(1) The tax administrator shall decide on the registration within 30 days from the day when the application was filed or from the day when its defects were removed; in particularly complicated cases, the term may be extended by the closest superior tax administrator.

(2) If the tax administrator decides fully in line with the application for registration or with the notice of the change of the registration data, the decision shall not state the grounds of the decision.

(3) Depending on the nature of the matter, the tax administrator shall decide, in official capacity, on the registration or cancellation of the registration if this is justified and if the tax subject

a) does not file an application for registration,

b) does not file a notice of a change of the registration data, or

c) does not comply with the call to remove doubts about the registration data.

(4) A change of the registration data shall be made by the tax administrator on the basis of a notice of a change of the registration data or on the basis of its own findings only in the form of an official record.

Section 130

Tax Identification Number

(1) The tax administrator shall assign a tax identification number to a tax subject that has not yet been registered for any tax. The tax identification number shall contain the code "CZ" and the basic part formed by the general identifier or the tax administrator's own identifier.

(2) The tax subject is obliged to state the tax identification number in all cases that relate to the tax for which they have been registered under such a tax identification number, in communication with the tax administrator and in cases set out by law.

(3) The general identifier of a natural person is the birth number or another general identifier if so stipulated by law, and the general identifier of a legal entity is the identification number.

(4) If a general identifier has not been assigned to a tax subject, the tax administrator shall issue a decision assigning its own identifier to them.

Section 131

Change of the Local Competence of Registered Tax Subjects

(1) In the event of a change of the conditions for determining the local competence of the tax administrator, the current competent tax administrator shall issue a decision setting out the day on which the local competence passes to the new tax administrator; no appeal may be filed against such a decision.

(2) If by the day on which the local competence passes to the new tax administrator there has been a change of the circumstances under which it was decided under [Subsection 1](#), the tax administrator which issued the decision shall decide on its reversal or change.

CHAPTER II

PROCEEDINGS ON BINDING ASSESSMENT

Binding Assessment

Section 132

(1) At the request of the tax subject, the tax administrator shall issue to them a decision on the binding assessment of the tax consequences arising for them from the facts that are decisive in terms of taxes and have already occurred or are expected, in cases when this is stipulated by law.

(2) The statement of the decision on binding assessment shall contain, in addition to the elements under [Section 102 Subsection 1](#), the temporal and material extent to which the issued decision is binding.

(3) No legal remedies may be filed against the decision on binding assessment.

Section 133

(1) The decision on binding assessment in tax assessment shall be effective in relation to the tax administrator which decides on the tax liability of the tax subject at whose request the decision on binding assessment was issued, provided that at the time of deciding on the tax liability the actual state of the matter is identical to the data based on which the decision on binding assessment was issued.

(2) The decision on binding assessment shall become ineffective if there was a change of

the legislation based on which the decision on binding assessment was issued.

(3) The decision on binding assessment shall not be effective for the assessment of the tax consequences arising from the decisive facts that occurred in the period of taxation which began after the expiry of 3 years from the day when such a decision entered into full force and effect, unless a shorter term is set out by the tax administrator.

(4) Where a one-time tax is concerned that is assessed in relation to a single fact, the decision on binding assessment shall not be effective for the assessment of the tax consequences arising from the decisive facts that occurred after the expiry of 3 years from the end of the calendar year in which such a decision entered into full force and effect, unless a shorter term is set out by the tax administrator.

(5) If it is proven during the tax assessment that the conditions under which the decision on binding assessment was issued are not met, such a decision may not be used in such tax proceedings.

CHAPTER III

TAX PROCEEDINGS

Section 134

(1) Tax proceedings shall be conducted for the purpose of correct tax ascertainment and assessment and securing its payment, and shall end by the fulfilment or other cessation of the existence of the tax liability that is associated with such a tax.

(2) For the needs of the specification of the subject of tax proceedings, the tax shall be assessed either in relation to the period of taxation or in relation to the individual fact.

(3) Depending on the circumstances, tax proceedings consist of sub-proceedings in which individual decisions are issued. For the purposes of this Act, sub-proceedings shall mean

a) finding proceedings

1. assessing proceedings, the purpose of which is to assess the tax,
2. additional assessing proceedings, which are conducted in order to determine the change of the last known tax,
3. proceedings on an ordinary legal remedy against a decision issued in the proceedings referred to in points 1 and 2,

b) proceedings related to tax payment

1. proceedings on the tax deferral and the division of the tax payment into instalments,
2. proceedings on the tax security,
3. execution proceedings,
4. proceedings on an ordinary legal remedy against a decision issued in the proceedings referred to in points 1 through 3,

c) proceedings on extraordinary legal remedies and supervisory means against individual decisions issued in tax proceedings.

CHAPTER IV

FINDING PROCEEDINGS

Division 1

Assessing Proceedings

Regular Tax Statement

Section 135

(1) A regular tax statement shall be filed by each tax subject on which the law imposes such an obligation, or by the tax subject which is called on by the tax administrator to do so.

(2) In the regular tax statement, the tax subject is obliged to quantify the tax and state the prescribed data as well as other circumstances decisive for tax assessment.

(3) The tax shall be due on the last day of the term set out for filing the regular tax statement.

Section 136

(1) A tax return in respect of the taxes assessed for a period of taxation that lasts at least 12 months shall be filed no later than within 3 months from the expiry of the period of taxation.

(2) Where a tax subject is concerned, which has the statutory obligation to have the financial statements audited by an auditor, or whose tax return is drawn up and filed by an adviser, the tax return shall be filed under [Subsection 1](#) no later than within 6 months from the expiry of the period of taxation. This shall only apply if the relevant power of attorney granted to such an adviser is submitted to the tax administrator prior to the expiry of the three-month term under [Subsection 1](#). If such an adviser dies or ceases to exist in the six-month term referred to in the first sentence, such a term shall continue to apply.

(3) A tax return in respect of the taxes assessed for a period of taxation that lasts 12 months shall be filed no later than by the end of the first month by which the period of taxation begins.

(4) Where the period of taxation is shorter than 1 year, the tax return shall be filed within 25 days from the expiry of the period of taxation. Such a term may not be extended.

(5) If in the period of taxation the tax subject did not incur a tax liability for the tax for which they are registered, they shall notify the tax administrator of such a fact within the term for filing the tax return or summary.

Section 137

(1) The report shall be filed within 20 days from the expiry of the month in which the tax remitter incurred a liability that is subject to the report. If the obligation to pay the tax is associated with the report, the tax shall be due on the last day of the term set out for filing the report.

(2) The summary shall be filed within 3 months from the end of the calendar year. If the obligation to pay the tax is associated with the summary, the tax shall be due on the last day of the term set out for filing the summary.

(3) The term for filing the report or summary may not be extended.

Section 138

Corrective Tax Return and Corrective Summary

(1) Prior to the expiry of the term for filing the tax return or summary, the tax subject may replace the tax return or summary that has already been filed by a corrective tax return or

corrective summary.

(2) Such a corrective tax return or corrective summary shall be used further in the proceedings, and the preceding tax return or summary shall not be considered. This way, it is also possible to replace additional tax returns or additional summaries or corrective returns or corrective summaries that have already been filed.

Tax Assessment

Section 139

(1) The tax may be assessed under a tax return or summary or in an official capacity.

(2) Based on the results of the assessing proceedings, the tax administrator shall assess the tax and prescribe it in the tax records; tax assessment shall also mean the assessment of a tax which is to be paid directly by a tax remitter.

(3) Where the tax assessed by the tax administrator is higher than the tax stated by the tax subject, the difference shall be due in an additional term, within 15 days from the day when the payment order enters into full force and effect. A tax assessed in official capacity shall also be due in the same additional term.

Section 140

(1) If the assessed tax does not deviate from the tax stated by the tax subject, the tax administrator does not have to notify the tax subject of the assessment result by means of a payment order; this shall not apply if a procedure to remove doubts was initiated. The payment order shall be placed by the tax administrator in the file.

(2) The last day of the term for filing the tax return or summary shall be deemed to be the day of service of the payment order to the tax subject, and where the tax return or summary was filed late, then it is the day when the tax return or summary was received by the tax administrator.

(3) The tax subject may request a counterpart of the payment order from the tax administrator, and the tax administrator shall send it to the tax subject within 30 days from the day when it received their request; if the request is filed prior to the issue of the payment order, such a term shall begin on the day of its issue.

(4) If the assessed tax does not deviate from the tax stated by the tax subject, no appeal may be filed against the payment order assessing such a tax; this shall not apply if the payment order was issued on the basis of a decision on binding assessment.

Division 2

Additional Assessing Proceedings

Section 141

Additional Tax Return and Additional Summary

(1) If the tax subject finds out that the tax is to be higher than the last known tax, they are obliged to file an additional tax return or additional summary by the end of the month following the month in which they found out such a fact, and shall pay the amount of the difference within the same term. This obligation shall last as long as the term for assessing the tax runs. The last known tax shall mean the resulting tax that has been finally assessed by the tax administrator so far in the current course of the tax proceedings on such a tax.

(2) Within the term referred to in [Subsection 1](#), the tax subject may file an additional tax return or additional summary for a tax lower than the last known tax, provided that the tax was assessed in an incorrect amount; in such an additional tax return or additional summary, no objections may be raised against the procedure taken by the tax administrator.

(3) An additional tax return or additional summary for a tax lower than the last known tax is not admissible if any decision from which the last known tax results was made in accordance with aids or was issued on the basis of an agreement on tax.

(4) Within the terms referred to in [Subsection 1](#), the tax subject may file an additional tax return or additional summary that does not change the last known tax but only the data formerly stated by the tax subject.

(5) In the additional tax return or additional summary, the tax subject shall state the difference from the last known tax and the day when it was ascertained; where an additional tax return or additional summary under [Subsection 2](#) and [4](#) is filed, the tax subject shall also state the reasons for filing it.

(6) An additional tax return or additional summary is not admissible in respect of a tax that is the subject of an ongoing tax inspection or that is the subject of a call under [Section 87 Subsection 2](#) of which the tax subject was notified, or if proceedings on an extraordinary legal remedy, supervisory means or proceedings on an action filed against the tax administrator's decision are initiated in respect of such a tax; such facts shall interrupt the term for filing an additional tax return or additional summary under the first sentence of [Subsection 1](#); a new term shall begin at the end of the tax inspection according to the result of which the last known tax is not changed, or from the legal force and effect of the additional payment order if issued on the basis of the tax inspection, or from the full force and effect of the decision which ends the proceedings on an extraordinary legal remedy, supervisory means or proceedings on an action filed against the tax administrator's decision.

(7) If the tax subject files an additional tax return or additional summary prior to the tax assessment or prior to its additional assessment, the proceedings initiated by such a filing shall be discontinued. The data stated in the additional tax return or additional summary filed in this way shall be used in the assessment or additional assessment of such a tax.

(8) The tax additionally stated by the tax subject shall be due in an additional term for payment, which is identical to the term under the first sentence of [Subsection 1](#).

Section 142

Subsequent Report

(1) By the expiry of the term for filing a summary or by the time when the tax administrator assesses the tax for certain periods which is to be paid directly by the tax remitter, the tax remitter is obliged to file a subsequent report concerning a report which has already been filed, if the tax remitter finds out that the data reported so far were not correct; in such a report, the tax remitter shall specify the changes and differences from the report filed before and shall state the original due date of the corrected amounts.

(2) If there are reasons for filing a subsequent report, the tax remitter is obliged to file such a subsequent report within the terms under [Section 141 Subsection 1](#). If the obligation to pay the tax is associated with the subsequent report, the tax remitter is obliged to pay such a tax within the same terms.

(3) If the filed subsequent report results in a reduction of the remitted tax, the tax administrator shall issue a decision confirming such a reduction and shall prescribe it in the tax records at the same time.

Additional Tax Assessment

Section 143

(1) The tax may be additionally assessed under an additional tax return or additional summary or in an official capacity. The force and effect of the current decisions on assessing the tax does not prevent its additional assessment.

(2) Based on the results of the additional assessing proceedings, the tax administrator shall additionally assess the tax in the amount of the difference between the last known tax and the new amount found, and shall prescribe such an assessed difference in tax to the tax records; additional tax assessment shall also mean the additional assessment of a tax which is to be paid directly by a tax remitter.

(3) Additional assessment in an official capacity may only be carried out on the basis of the result of a tax inspection. If the tax administrator ascertains any new facts or evidence outside a tax inspection, and based on such facts and evidence it may be reasonably assumed that the tax will be additionally assessed, it shall take the procedure under [Section 145 Subsection 2](#).

(4) If the additional assessing proceedings reveal only differences in the individual data, based on which the last known tax was assessed, and this does not result in a change of the last known tax, the tax administrator shall state in the statement of the additional payment order that the tax does not deviate; [Section 144](#) shall apply accordingly.

(5) Where the additionally assessed tax is higher than the tax additionally stated by the tax subject, the difference shall be due within an additional term of 15 days from the day when the additional payment order enters into full force and effect. A tax additionally assessed in official capacity shall also be due within the same additional term.

Section 144

(1) If the additionally assessed tax does not deviate from the tax additionally stated by the tax subject, the tax administrator does not have to notify the tax subject of the additional assessment result by means of an additional payment order; this shall not apply if a procedure to remove doubts was initiated. The additional payment order shall be placed by the tax administrator in the file.

(2) The last day of the term for filing the additional tax return or additional summary shall be deemed to be the day of service of the additional payment order on the tax subject, and where the additional tax return or additional summary was filed late, then it is the day when the additional tax return or additional summary was received by the tax administrator.

(3) The tax subject may request a counterpart of the additional payment order from the tax administrator, and the tax administrator shall send it to the tax subject within 30 days from the day when it received their request; if the request is filed prior to the issue of the additional payment order, such a term shall begin on the day of its issue.

(4) If the additionally assessed tax does not deviate from the tax additionally stated by the tax subject, no appeal may be filed against the additional payment order assessing such a tax; this shall not apply if the additional payment order was issued on the basis of a decision on binding assessment.

Division 3

Common Provisions on Finding Proceedings

Section 145

Procedure in the Event of Failure to File a Regular or Additional Tax Statement

(1) If a regular tax statement was not filed, the tax administrator shall call upon the tax subject to file it and shall set out an additional term. If the tax subject fails to comply with such a call within the set term, the tax administrator may assess the tax in accordance with aids or assume that the tax subject stated in the regular tax statement that the tax amounted to CZK 0.

(2) If it may be reasonably assumed that the tax will be additionally assessed, the tax administrator may call on the tax subject to file an additional tax statement and shall set out an additional term. If the tax subject fails to comply with such a call within the set term, the tax administrator may additionally assess the tax in accordance with aids.

Section 146

Rounding

(1) The tax shall be rounded up to whole crowns both in a regular tax statement or additional tax statement and in a tax assessment by the tax administrator.

(2) The tax advance shall be rounded up to whole hundreds of crowns.

(3) Calculations based on a tax rate, coefficients and indicators, and currency conversion results shall be made with an accuracy to two valid decimal places. Gradual rounding in two or more stages is inadmissible.

(4) For the calculation of interest per day, using a repo rate of the Czech National Bank, a year shall mean 365 days.

Section 147

Decision on Assessing the Tax

(1) In the finding proceedings, the tax administrator shall assess the tax for the tax subject in a decision which is called a payment order, an additional payment order or collective assessment list; such decisions shall not state their grounds.

(2) If the assessed tax deviates from the tax stated by the tax subject, the decision assessing the tax must state the grounds for the difference.

(3) If the tax is assessed in an official capacity, the decision on assessing the tax must state the grounds for it.

(4) If the tax is assessed solely on the basis of the result of a tax inspection or the result of a procedure to remove doubts, the tax inspection report or the record of discussion of the result of the procedure to remove doubts, as the case may be, shall be deemed to be the statement of the grounds.

Section 148

Term for Assessing the Tax

(1) The tax may not be assessed after the expiry of the term for assessing the tax, which lasts 3 years. The term for assessing the tax shall begin on the day when the term for filing a regular tax statement expired or when the tax became due without the existence of the obligation

to file a regular tax statement.

(2) The term for assessing the tax shall be extended by 1 year if in the last 12 months prior to the expiry of the current term for assessing the tax

a) an additional tax statement was filed or a call to file an additional tax statement was notified, provided that such a call resulted in an additional tax assessment,

b) a decision assessing the tax was notified,

c) proceedings on an extraordinary legal remedy or supervisory means were initiated,

d) a decision in the matter of a legal remedy or supervisory means was notified, or

e) a decision on the declaration of the nullity of a decision assessing the tax was notified.

(3) If prior to the expiry of the term for assessing the tax, a tax inspection was initiated, a regular tax statement was filed or a call to file a regular tax statement was notified, the term for assessing the tax shall begin again on the day when such an act was carried out.

(4) The term for assessing the tax shall not run

a) for the duration of the proceedings conducted in relation to the tax assessment before a court in administrative justice and before the Constitutional Court,

b) for the duration of the proceedings on a matter which is to be decided by a court and which is necessary for correct tax assessment,

c) for the duration of the criminal prosecution for a tax-related criminal offence concerning this tax,

d) from the missing of the term for filing an appeal against a decision assessing the tax to the notification of the decision to restore such a term,

e) from the expiry of the period of storage without the decision being collected to the day of service of the decision which declares the ineffectiveness of the decision issued in the finding proceedings, or

f) from the day of sending a request for international cooperation in tax administration to the day of receipt of a reply to such a request or to the day of sending a notice of termination of the international cooperation in tax administration in the concerned matter.

(5) The term for assessing the tax shall expire at the latest upon the expiry of 10 years from its beginning under [Subsection 1](#).

(6) In the consequence of a conduct which was the subject of the final court decision concerning the commission of a tax-related criminal offence, the tax may be assessed by the end of the second year following the year in which the court decision entered into full force and effect, notwithstanding whether the term for assessing the tax has already expired.

(7) If the tax subject files a regular tax statement or additional tax statement and pays the stated tax including attribution thereof at the same time if this is necessary for the expiry of punishability for the tax-related criminal offence due to effective remorse, then the tax may be assessed notwithstanding whether the term for assessing the tax has already expired.

CHAPTER V

TAX PAYMENTS

Division 1

General Provisions on Tax Payments

Tax Records

Section 149

(1) The objective of tax records kept by the tax administrator is to record the occurrence, assessment, fulfilment or other cessation of existence of tax liabilities, and the resulting overpayments, arrears and transfers; such data shall be recorded on personal tax accounts.

(2) A personal tax account shall be kept for individual tax subjects separately for each kind of tax. For the sake of the clarity of tax records, a given kind of tax may be divided into several parts, for which separate personal tax accounts shall be kept.

(3) The Ministry of Finance shall publish a list of kinds of taxes and their parts for which personal tax accounts are kept by the tax administrators managed by the Ministry of Finance, and such a list shall be published in the Financial Bulletin and in a manner allowing remote access. The other tax administrators shall publish such data in the manner referred to in [Section 56 Subsection 2](#).

(4) The data on personal tax accounts shall be provably recorded in written or electronic form on the basis of documents which show all the changes made on the personal tax accounts and which are confirmed by an official person. Such documents are

- a) prescription documents,
- b) write-off documents,
- c) payment documents,
- d) corrective documents.

(5) Every month, the correctness of the records of personal tax accounts shall be confirmed by the tax administrator on the basis of the documents obtained from a payment service provider or other documents proving payments.

(6) The annual closing of the records shall follow the closing of the last month of the calendar year, and the resulting sums shall be carried forward as the initial balances on the personal tax accounts in the following calendar year.

Section 150

(1) Tax prescriptions and write-offs, including their corrections, if any, as well as write-offs of arrears shall be recorded on the debit side of personal tax accounts.

(2) Payments and refunds shall be recorded on the credit side of personal tax accounts. The basis for the records is the documents of payment service providers and postal service providers, and other documents proving payments, as the case may be. Refunds may only be given on the basis of issued payment documents.

(3) Uncollectible arrears shall be recorded in the separate part intended for the records of uncollectible arrears of the personal tax account.

(4) The sums for securing the payment of a tax that has not been due or has not yet been assessed shall be received and recorded on the personal deposit account of the tax subject. On the day when the securing order ceases to have effect, the secured sum in the amount necessary for the payment of the secured tax shall be transferred from the personal deposit account to the relevant personal tax account of the tax subject.

(5) The sums recovered by various recovery methods shall be received and recorded on the personal deposit account of the tax subject. The recovered sums shall be transferred by the tax administrator to the personal tax account of the tax subject with the date of payment recorded on the personal deposit account. If the sum on the personal deposit account is the subject of proceedings for division, the determined sums shall be transferred in accordance with the final decision of the tax administrator on the division or under the final resolution of the court on the result of the proceedings for division.

(6) The sum voluntarily paid by the tax subject in accordance with the notification under [Section 153 Subsection 3](#) shall be received and recorded on the personal deposit account of the tax subject. The thus obtained sum shall be transferred by the tax administrator to the personal tax account with the date of payment recorded on the personal deposit account. If arrears are recorded on several personal tax accounts, such a sum shall be transferred for the payment of arrears successively in the order of groups stated in [Section 152 Subsection 1](#) notwithstanding on which personal tax account they are.

Section 151

(1) At the request of the tax subject, the tax administrator shall issue a confirmation of the balance of their personal tax account, based on the data from the tax records. The issue of confirmations shall be governed accordingly by the provisions of [Section 102 Subsection 1](#) and [Section 104 Subsection 1](#).

(2) The confirmation of the balance of the personal tax account must be clear as to the original due date or, where appropriate, alternative due date of individual taxes.

Section 152

Order of Tax Payment

(1) The tax payment on the personal tax account shall be used for the payment of due tax receivables successively in the following order of groups:

- a) tax arrears and due tax,
- b) tax attribution arrears,
- c) tax arrears being exacted,
- d) tax attribution arrears being exacted.

(2) The tax payment recovered by various recovery methods under [Section 175](#) shall be used for the payment of arrears recorded at the concerned tax administrator successively in the following order of groups:

- a) arrears of the tax being exacted by the given method of exacting,
- b) arrears of the tax attribution being exacted by the given method of exacting.

(3) The payment of the tax that is paid as a receivable for the assets on the personal tax account shall be used for the payment of due tax receivables successively in the following order

of groups:

a) tax arrears and due tax from the tax liabilities that arose at the time from the effective day of the decision on insolvency,

b) tax attribution arrears from the tax liabilities that arose at the time from the effective day of the decision on insolvency.

(4) In individual groups under [Subsection 1 through 3](#), the tax payment shall be used first for the payment of due tax receivables with an earlier due date.

Section 153

Arrears

(1) Arrears shall mean the sum of a tax that has not been paid and the due date of which has already expired; arrears shall also mean an unpaid tax attribution the due date of which has already expired and, where applicable, an unpaid amount of a secured tax as well.

(2) Arrears shall be paid by the tax subject as their tax debt; on the side of the relevant public budget, the due tax receivable corresponds to such debt.

(3) The tax administrator may notify the tax subject of the amount of their arrears in a suitable manner and inform them about the consequences associated with a failure to pay them.

(4) After the term for paying the tax expires without the payment being made, the arrears shall cease to exist.

Overpayment

Section 154

(1) Overpayment shall mean a sum by which the total of payments and refunds on the credit side of the personal tax account exceeds the total of prescriptions and write-offs on the debit side of the personal tax account.

(2) The tax administrator shall transfer the overpayment to settle arrears, if any, of the same tax subject on another personal tax account or to settle arrears under [Subsection 4](#). If there are no such arrears, the overpayment shall become a refundable overpayment and remain, as a payment for a tax not yet paid, on the personal tax account on which it is recorded. If there is a justified assumption that within 10 days from the day when the overpayment is to be used for the settlement of arrears on another personal tax account, the obligation to pay the tax on the same personal tax account will arise, the overpayment shall not be used for the settlement of arrears on another personal tax account.

(3) If arrears are recorded on several personal tax accounts, the tax administrator shall, when transferring the overpayment to another personal tax account, give priority to the payment of proceedings costs and shall use the remaining overpayment for the settlement of arrears successively in the order of groups stated in [Section 152 Subsection 1](#) notwithstanding on which personal tax account they are.

(4) An overpayment shall also be used for the settlement of arrears of the same tax subject at such another tax administrator at which such arrears are recorded, provided that such a tax administrator requests such an overpayment while making sure that its request is received by the tax administrator at which the overpayment is recorded, before the order to refund it is

issued but no later than by the day when the term set out for its refund expires. The request shall be accompanied by a list of arrears to be settled from the overpayment; if the requirement is filed through interconnected information systems, it shall suffice to submit the list of arrears afterwards within 30 days from filing the requirement for the settlement of arrears through such systems. The request shall also be granted if an overpayment arises within 30 days after requesting it. If the tax administrator received several requests, the settlement shall be made in the order in which the requests were received by the tax administrator. The settlement of arrears recorded at the tax administrator at which the overpayment is recorded shall take precedence.

(5) The tax subject shall be notified of the transfer of an overpayment under [Subsection 2](#) and [4](#) where the overpayment exceeds the amount of CZK 1,000. The day of settlement of arrears by a transfer of an overpayment shall be deemed to be the day following the day when the overpayment arose, provided that such a day came after the day when the arrears arose; otherwise it is the day when the arrears arose.

Section 155

(1) The tax subject may request the tax administrator at which they have a refundable overpayment to use such an overpayment to settle the arrears they have at another tax administrator or to settle the arrears of another tax subject at the same or different tax administrator or to pay an advance, the amount of which shall be prescribed on the debit side of the personal tax account after the sum is paid. If this request is granted, the day when the request was received by the tax administrator shall be deemed to be the day of settlement of the arrears or payment of the advance.

(2) The tax administrator shall refund the refundable overpayment to the tax subject at the tax subject's request for refunding the refundable overpayment, or if so stipulated by law. A refundable overpayment lower than CZK 100 shall only be refunded by the tax administrator to the tax subject in exceptional cases so that the principle of economic efficiency is safeguarded.

(3) If at the time of filing a request for refunding a refundable overpayment, the refundable overpayment amounts to no less than CZK 100, the tax administrator shall remit it within 30 days from the day of receipt of the request under [Subsection 2](#), and if this is not the case, it shall only grant the request if the refundable overpayment reaches such an amount within 60 days from the day of filing the request; the term for the refunding shall begin on the day following the day when such an amount was reached. If the tax subject is registered with the tax administrator, the tax subject is obliged to specify, for the refund of the overpayment, one of the accounts kept at the payment service providers stated in the registration.

(4) An appeal against the tax administrator's decision on the request referred to in [Subsection 1 and 2](#) may be filed within 15 days from the day of its service. If the tax administrator grants the request in its entirety, it shall not notify the tax subject of the decision unless the tax administrator is expressly requested to do so in the request. The day that follows the day when the tax administrator received the request shall be deemed to be the day of issue of the decision granting the request in its entirety and, at the same time, the day of its notification to the tax subject; no legal remedies may be filed against such a decision.

(5) If a refundable overpayment is remitted by the tax administrator at a request after the term set out in [Subsection 3](#) or after the term set out by law for refunding a refundable overpayment which shall be refunded without a request, the tax subject shall be entitled to the interest on the refundable overpayment, which corresponds, per annum, to the amount of the repo rate set out by the Czech National Bank, increased by 14 percentage points, and effective for the first day of the concerned calendar half-year. The tax subject shall be entitled to such interest from the day following the day when the term set out for refunding a refundable overpayment expired to the day when it was remitted to the tax subject. The interest shall not be granted if it does not exceed CZK 100. The tax administrator shall decide on the amount of the interest without undue delay after refunding the overpayment; [Section 254 Subsection 3](#) and [6](#)

shall apply accordingly.

(6) The day when the refundable overpayment was subtracted from the tax administrator's account shall be deemed to be the day of remitting the refundable overpayment. The refundable overpayment shall be remitted by the tax administrator in the Czech currency in the amount in which it was recorded, by cashless transfer to the account kept at a payment service provider or by a postal money order; in the event of a cashless transfer to an account kept at a payment service provider outside the territory of states of the European Union, the costs of the transfer shall be borne by the tax subject.

(7) If the tax subject does not request the refund of a refundable overpayment within 6 years from the end of the year in which the overpayment arose, the overpayment shall cease to exist and shall become the income of the budget that is used to finance the activity of the tax administrator which recorded it.

Deferral

Section 156

(1) At the request of the tax subject or in official capacity, the tax administrator may permit the deferral of the tax payment or the division of the tax payment into instalments (hereinafter referred to as "deferral")

- a) if the immediate payment would cause serious harm to the tax subject,
- b) if the maintenance of the tax subject or the persons dependent on maintenance by the tax subject would be at risk,
- c) if the immediate payment would result in the termination of the entrepreneurial activity of the tax subject, and the proceeds from the termination of the entrepreneurial activity would likely be lower than the tax generated by the tax subject in the next period of taxation,
- d) if the tax cannot be collected from the tax subject at once, or
- e) when it may be reasonably expected that the obligation to pay the tax would cease to exist either partially or fully.

(2) The tax administrator shall decide on the request for deferral within 30 days from its filing.

(3) In the decision permitting the deferral, the period of the deferral shall be set out, and the deferral may also be subject to other conditions.

(4) Deferral may be permitted no earlier than from the due date, even with a retrospective effect.

(5) Deferral must not be permitted for a period longer than the term for paying the tax.

(6) At the request of the tax subject, the tax administrator may change the set period of deferral or change the conditions or add other conditions to which the deferral is subject; when doing so, the tax administrator is not bound by the proposal of the tax subject.

Section 157

(1) For the period of the permitted deferral, no obligation shall arise for the tax subject to pay interest on arrears.

(2) For the period of the deferral, the tax subject is obliged to pay interest on the deferred sum, which corresponds, per annum, to the amount of the repo rate set out by the Czech National Bank, increased by 7 percentage points, effective for the first day of the concerned calendar half-year.

(3) Without undue delay after the end of the deferral, the tax administrator shall issue a payment order prescribing the interest on the deferred sum for the period of the deferral. No interest on the deferred sum shall be prescribed if such interest does not exceed CZK 100.

(4) The interest on the deferred sum shall be due within 30 days from the day of service of the payment order.

(5) If any of the conditions of the decision on deferral is not observed, such a decision shall cease to have effect on the day when such a condition is not observed; the tax administrator shall issue a decision thereon. The decision on deferral shall also cease to have effect upon the initiation of liquidation or on the effective day of the decision on insolvency.

(6) The interest on the deferred sum shall not arise for the time for which the tax subject is not obliged to pay interest on arrears for a reason other than the permission of the deferral.

Section 158

Writing-off Uncollectible Arrears

(1) The tax administrator shall write off uncollectible arrears.

(2) For the purposes of this Act, uncollectible arrears shall mean arrears

a) that were unsuccessfully exacted from the tax subject and other parties from which it could be exacted, or the exaction of which would evidently bear no result, or where the costs of exaction would likely exceed the proceeds, or

b) the exaction of which is connected with special or disproportionate difficulties.

(3) Based on the tax administrator's order to write off uncollectible arrears from the personal tax account, a write-off document shall be issued, which shall also perform the role of a prescription document on the account of uncollectible arrears; the arrears shall continue in existence unless the term for paying the tax expired.

Section 159

Objection

(1) The party involved in tax administration may raise an objection against an act of the tax administrator in tax payment within 30 days from the day when they became aware of the act unless such an act is a decision against which the law allows to file an appeal.

(2) Objections shall be filed with the tax administrator which carried out the act.

(3) The tax administrator shall assess the objection and decide on it. If it grants the objection in its entirety, it shall cancel the contested act, and if it grants the objection partially, it shall change the contested act or remedy the situation otherwise. If the tax administrator does not recognize the legitimacy of the reasons claimed in the objection, it shall issue a decision dismissing the objection. The decision that grants the objection in its entirety shall not state the grounds of the decision.

(4) In proceedings on an objection, [Section 111 Subsection 5](#) and [Section 112](#) shall apply accordingly. No legal remedies may be filed against a decision on an objection.

Section 160

Term for Paying the Tax

(1) Arrears may not be collected and exacted after the expiry of the term for paying the tax, which lasts 6 years. The term for paying the tax shall begin on the due date of the tax. Where the arrears relate to the amount of the tax for the payment of which an additional term for payment was set out, the term for payment shall begin on the additional due date of the tax.

(2) If prior to the expiry of the term for paying the tax, the tax administrator carried out an act referred to in [Subsection 3](#), the term for paying the tax shall begin again on the day when such an act was carried out.

(3) An act that interrupts the term for paying the tax is

- a) the initiation of execution proceedings under this or another Act,
- b) the establishment of a lien, or
- c) the notification of a decision on deferral or a decision changing the set period of deferral.

(4) The term for paying the tax shall not run for the duration of

- a) tax exaction by a court or court executor,
- b) registration of a tax receivable in insolvency proceedings or in a public auction,
- c) deferral of a tax execution deferred on a petition,
- d) a tax execution by deductions from wages, or
- e) a request for international aid in the exaction of arrears.

(5) The term for paying the tax shall expire no later than upon the expiry of 20 years from its beginning under [Subsection 1](#), except for arrears secured under [Subsection 6](#).

(6) If the arrears are secured by a lien that is registered in the relevant public register, the right to collect and exact arrears shall cease to exist upon the expiry of 30 years from such registration.

Division 2

Divided Administration

Section 161

(1) Divided administration takes place where a public authority that is not a tax administrator issues, within the scope of the execution of its official powers, a decision imposing an obligation to pay a monetary performance intended for a public budget, and where the payment of such a monetary performance is governed by this Act or its individual provisions. This shall also apply if the obligation to pay a monetary performance intended for a public budget arose directly from the law without the issue of any decision.

(2) The public authority that is materially competent to administer the payment of the monetary performance under [Subsection 1](#) is the tax administrator to such an extent. The party obliged to pay such a monetary performance shall have the same rights and obligations as a tax subject in the payment of taxes.

(3) Divided administration also takes place where the law stipulates that the authority competent to administer the payment of the monetary performance is an administrative authority other than the public authority which imposed the obligation to pay the monetary performance.

Section 162

(1) If the public authority which imposed the obligation to pay the monetary performance under divided administration is not competent to administer the payment of such a monetary performance, it shall hand over the necessary information about the imposition or occurrence of such an obligation to the competent tax administrator no later than within 30 days from the day of the full force and effect of the decision which imposed the payment obligation; such information shall be accompanied by a counterpart of the decision with the marked full force and effect, and an overview of the decisions handed over.

(2) If the public authority which imposed the obligation to pay the monetary performance under divided administration is not competent to exact such a monetary performance, it shall hand over the necessary information about the imposition or occurrence of such a payment obligation to the competent tax administrator, together with a counterpart of the decision with the marked full force and effect, and an overview of the decisions handed over. Such information shall be handed over about the monetary performance that was not voluntarily paid within 30 days from the expiry of the term for its payment without the payment being made.

(3) The public authority which handed over the information for the administration of the payment of the monetary performance under divided administration to the competent tax administrator is obliged to notify such a tax administrator, without undue delay, of any changes that occurred or may occur in the administration of payment of such a monetary performance.

(4) The tax administrator which received the information for the administration of payment of the monetary performance under divided administration shall, when requested, provide the public authority which handed over such information to it with information about the payment of such a monetary performance.

(5) The local competence of the tax administrator to which the administration of payment of the monetary performance passes shall be based on the registered office of the public authority which imposed the obligation to pay the monetary performance.

Division 3

Collection of Taxes

Tax Payment Method

Section 163

(1) Taxes shall be paid to the competent tax administrator in the Czech currency.

(2) If a payment is remitted in a foreign currency, the tax administrator shall record it on the personal tax account of the tax subject in the amount in which it was credited to the account in Czech currency.

(3) Taxes may be paid

a) by a cashless transfer from an account kept at a payment service provider to the relevant account of the tax administrator,

b) in cash

1. through a payment service provider or by a postal money order to the relevant account of the tax administrator,

2. to the official person authorised to accept such payments, and the total of payments of all kinds of taxes on behalf of one tax subject must not exceed the sum of CZK 500,000 in the course of one calendar day at one tax administrator,

3. by a cheque the cashing of which is secured by a payment service provider,

4. to a tax executor where a payment during a tax execution is concerned, and

5. to an authorised official person where a payment of a disciplinary fine is concerned,

c) by duty stamps if so stipulated by law,

d) from an overpayment of another tax.

(4) Duty stamps are issued by the Ministry of Finance. Their appearance, the values in which they are issued, the elements of their records, the method of payment during their use and handling, the termination of their validity, including the method and term for the settlement of their unconsumed stock, as well as other technical matters shall be set out by the Ministry of Finance in a Regulation.

Section 164

(1) The tax subject is obliged to state for which tax the payment is intended, and the tax administrator shall receive it for such a tax.

(2) Where a payment is made without a sufficient specification of the tax, the tax administrator shall receive it on the account of unclear payments and shall call on the tax subject to notify the tax administrator, within the set term, of the tax for which the payment is intended. If the tax administrator receives a reply within the set term, it shall record the payment for the tax specified by the tax subject in the reply, with effect as of the day when the payment was made. If the tax subject fails to reply within the set term, the tax administrator shall determine the tax for which the payment will be recorded; in such a case, the day when the payment was recorded by the tax administrator shall be deemed to be the day of the payment.

(3) On the account of unclear payments, the tax administrator shall also receive payments for which the tax subject is not clearly identified, and shall take measures to identify them; [Subsection 2](#) shall apply accordingly. If the payment is not identified within 6 years from the end of the year in which it was received on the account of unclear payments, it shall become income of the budget that is used to finance the activity of the tax administrator which received the payment, and the entitlement to the return of such a payment shall cease to exist.

(4) The tax administrator shall receive each payment of tax even if it is not made by the tax subject, and shall handle it in the same manner as if it was made by the tax subject.

Section 165

(1) Return of a payment to the party which paid it instead of a tax subject is not admissible.

(2) The tax administrator shall only return a payment that was made evidently by mistake, at the request filed by the payment service provider or postal service operator no later than on the day when the payment of the tax was credited to the account of the tax administrator; if the request is filed later, such a payment may only be returned if it resulted in a refundable overpayment which was not refunded to the tax subject or used for the payment of any other

arrears by the day when the request was handled, but it may only be returned up to the amount of such an overpayment even if it is lower than CZK 100.

(3) A procedure similar to the procedure referred to in [Subsection 2](#) shall be taken if the request is filed by the party which made the payment instead of the tax subject, provided that such a party proves their evident mistake in the payment and does not have any arrears on their personal account at the same time; if any such arrears exist, the tax administrator shall transfer the overpayment to settle the arrears on the personal account of the party which made the payment by mistake instead of the tax subject.

(4) Where a request may not be granted, the tax administrator shall issue to the requesting party a confirmation of the received payment and of the identity of the tax subject for the payment of whose arrears the payment was recorded as a result of the mistake caused by such a party.

Section 166

Day of Payment

(1) The day of payment shall be deemed to be

a) for a payment made through a payment service provider or postal service operator, the day when it was credited to the account of the tax administrator,

b) for a payment made in cash at the tax administrator, the day when an official person received the payment, or

c) for a payment made by a cashless transfer where the payment order was given through a payment card or similar means of payment, the day when the party paying the tax handed over the payment order to the tax administrator.

(2) The payment service provider at which the tax administrator's account is kept is obliged to provide the tax administrator, free of charge, with information necessary for the identification of the payment and originator, as well as other specifying information about the originator in the event of unclear payments. The same obligation shall also be fulfilled by a postal service operator either directly or through an involved payment service provider.

(3) The postal service operator which received a payment to be made by a postal money order shall hand over the payment to the payment service provider which maintains its account in order to perform the transfer, within 2 working days from the day when it received the payment; the following transfer of such a payment shall comply with the terms under the Act regulating payment systems.

(4) If the postal service operator fails to comply with the term referred to in [Subsection 3](#), it shall pay the tax administrator the interest on arrears under another legal regulation¹⁵⁾.

(5) The interest on arrears paid to the tax administrator under [Subsection 4](#) shall be recorded and further administered as tax attribution.

Division 4

Tax Security

Securing Payments for Undue or not yet Assessed Taxes

Section 167

(1) If there is a reasonable concern that a tax which has not yet been due or a tax which has not yet been assessed will be uncollectible at the time of its enforceability, or that the collection of the tax will be connected with considerable difficulties at that time, the tax administrator may issue a securing order.

(2) In the securing order, the tax administrator shall order the tax subject to pay the sum stated in the order.

(3) If there is no risk of delay, the tax administrator shall order the tax subject to secure such a sum of the tax for the benefit of the tax administrator by paying a security to the tax administrator's deposit account within 3 working days. If there is a risk of delay, the securing order shall be enforceable at the moment of notifying the tax subject of it.

(4) Where a tax that has not yet been assessed is concerned, the amount of the secured sum shall be set out by the tax administrator in accordance with its aids. If there is no risk of delay, the tax administrator may call on the tax subject to provide, no later than within 3 working days, information necessary for setting out the amount of the secured tax.

Section 168

(1) If a decision on an appeal against a securing order is not issued within 30 days from the day when the appeal was filed, the securing order shall become ineffective; [Section 35 Subsection 2](#) shall not apply.

(2) Reopening of the proceedings may not be demanded in respect of a securing order.

(3) If the reasons for which the tax was secured cease to exist prior to the tax assessment or prior to the due date of the tax, the tax administrator shall decide to terminate the effect of the securing order without undue delay. If prior to the tax assessment or prior to the due date of the tax, the tax administrator finds reasons for reducing the original amount of the security, it shall decide on the change of the secured sum by issuing a decision changing the sum stated in the securing order and, at the same time, shall terminate the effect of the original order in accordance with the extent of the change. If a refundable overpayment arises as a result of such decisions, the tax administrator shall refund it without a request within 15 days from the day when such an overpayment arose.

(4) Where a tax is assessed, which has not been assessed by the time of issue of the securing order, such a tax shall be due on the day of its assessment. On that day, the effect of the securing order shall expire, and the secured sum shall be transferred to pay such a tax. If a refundable overpayment arose as a result, the tax administrator shall refund it without a request within 15 days from the day when such an overpayment arose.

(5) Where a securing order was issued in respect of a tax because the tax had not yet been due, and the due date has expired, then on the due date the securing order shall cease to have effect and the secured sum shall be transferred to pay such a tax. If a refundable overpayment arose as a result, the tax administrator shall refund it without a request within 15 days from the day when such an overpayment arose.

(6) If the tax subject fails to fulfil the obligation imposed in the securing order, the tax administrator may decide to establish a lien to secure the sum set out by such a securing order. Such a lien shall last to the extent that corresponds to the amount of the secured tax which has been assessed or has become due, after the expiry of effect of the securing order for the reasons referred to in [Subsection 4](#) and [5](#).

Section 169

If the exaction initiated on the basis of a securing order did not result in the payment of

the secured sum by the time when the effect of the securing order expired because the secured tax has become due under [Section 168 Subsection 4 or 5](#), the tax administrator shall decide that the enforceable tax assessment decision becomes an execution title instead of the securing order and, at the same time, shall state the amount of the arrears the settlement of which shall continue being exacted. The effects of the execution acts that have been carried out shall continue to apply to the extent specified by the new execution title.

Section 170

Lien

(1) The tax administrator may issue a decision to establish a lien on the property of the tax subject in order to secure the tax the tax subject failed to pay, on the conditions stipulated by the [Civil Code](#), unless this Act stipulates otherwise.

(2) The statement of the decision to establish a lien shall contain, in addition to the elements under [Section 102 Subsection 1](#) the amount of the tax secured by the lien, and the specification of the property subject to the lien.

(3) The tax administrator may decide to establish a lien on property owned by a party other than the tax subject whose arrears are being secured, upon the prior written consent of the owner with a certified signature.

(4) The lien shall arise upon the service of the decision to establish the lien to the tax subject or to the party referred to in [Subsection 3](#). The lien on an immovable asset registered in the Land Register as well as on other property registered in public registers shall arise upon the service of the decision to establish a lien to the competent Land Register Office or to the party maintaining the public register.

(5) The lien established by a decision of the tax administrator shall also expire upon the full force and effect of the decision by which the tax administrator cancels the lien. The tax subject and the owner of the property subject to the lien shall be notified by the tax administrator of the expiry of the lien for the reasons stipulated by the [Civil Code](#).

(6) Where the lien is established by a decision of the tax administrator, such a lien shall be considered as if the owner of the property subject to the lien undertook

a) not to secure any new debt by a lien recorded in a more favourable order; such a fact shall be recorded in the relevant public register, or

b) not to allow the entry of a new lien instead of any old lien recorded in a more favourable order than the lien established by the decision of the tax administrator; such a fact shall be recorded in the relevant public register.

Section 170a

Exercise of Lien

(1) The tax administrator may exercise a lien under the [Civil Code](#).

(2) When exercising a lien, the provision on conducting a tax execution shall apply accordingly.

Guarantee

Section 171

(1) The guarantor is also obliged to settle arrears if the guarantee obligation is imposed on them by law¹⁶⁾ and if the tax administrator notifies them, in a call, of the assessed tax for which they stand security and, at the same time, calls on them to pay the arrears within the set term; a copy of the tax assessment decision shall be attached to such a call.

(2) If the tax subject ceases to exist without a legal successor, the guarantor's obligation to settle the arrears shall not be thereby affected.

(3) A call may be issued to the guarantor if the arrears have not been settled by the tax subject, although the tax subject was reminded to settle the arrears but to no avail, and the arrears have not been settled even when being exacted from the tax subject unless it is evident that the exaction would provably bear no result; a call may also be issued to the guarantor after the initiation of insolvency proceedings against the tax subject.

(4) The guarantor may appeal against the call to the guarantor; a timely filed appeal shall have a suspensive effect.

(5) In the decision on the appeal, the arrears to be settled by the guarantor may be reduced as a result of additional assessment proceedings or proceedings on a supervisory means in respect of the decision assessing the tax for which the guarantor stands security. If the amount of the assessed tax cannot be changed in this way due to the expiry of the term for assessing the tax, then if it is admitted that the original tax was assessed incorrectly, the arrears to be settled by the guarantor may only be reduced in relation to the guarantor.

Section 172

(1) The guarantor who received a call under [Section 171 Subsection 1](#) shall have, when paying the taxes, the procedural status of the tax subject as well as the authority to release from the obligation of confidentiality under [Section 52 Subsection 2](#) concerning the information subject to the obligation of confidentiality with which the guarantor was familiarised.

(2) After the guarantor has been notified of the call, they may inspect the file concerning the arrears for which they stand security, to the extent necessary for filing a legal remedy, filing a motion to use a supervisory means or motion to waive the tax. Until then, they have the right to be informed by the tax administrator about the amount of the arrears for which they stand security.

(3) If a deferral is permitted at the request of the guarantor, the arrears may be exacted only from the tax subject during such a time.

(4) If the guarantor's payment to settle the arrears they were called on to settle is delayed, no separate interest on arrears shall arise for the guarantor in addition to the arrears; this shall also apply to the interest on the deferred sum if the deferral is permitted for the guarantor.

(5) The guarantor which settled the arrears instead of the tax subject shall receive a confirmation of the settlement of such arrears, which shall be issued by the tax administrator.

(6) The tax payment made by the guarantor shall be used to settle the arrears of the tax subject for which the guarantor stands security. If such a payment cannot be used fully or partially to settle the aforesaid arrears, because the arrears have already been fully or partially settled by the day of such a payment, an overpayment arises for the guarantor in the amount equal to the sum that was not used to settle the arrears. The tax administrator shall transfer such an overpayment to settle arrears, if any, on the personal account of the guarantor on which the guarantor's tax liabilities are recorded. If the guarantor has no arrears for which the overpayment may be used, the tax administrator shall remit the overpayment or its remaining part to the

guarantor, without a request, within 30 days from the day when such an overpayment arose. The same procedure shall be taken in the event of the cessation of the existence of the tax liability which was fully or partially paid by the guarantor.

Section 173

Securing the Tax by Guarantee or Financial Guarantee

(1) The tax administrator may decide to accept a guarantee by a third party other than the tax subject in order to secure the tax not paid by the tax subject, on the basis of a written declaration of the guarantor with a certified signature.

(2) The tax administrator may decide to accept a financial guarantee in order to secure the tax not yet paid by the tax subject, on the basis of a submitted written declaration of the issuer in the guarantee document stating that the issuer will pay the secured sum on the call of the tax administrator. If it is not a bank guarantee, the guarantee document must bear a certified signature.

(3) When settling arrears secured under [Subsection 1](#) or [2](#), the procedure set out in [Section 171](#) and [172](#) shall apply accordingly.

Section 174

Advances

(1) A tax may be secured through payments of advances if the tax has not yet been known and its due date has not yet expired. The obligation to pay a tax through advances is stipulated by law.

(2) A tax subject is obliged to pay tax advances in the amount and terms set out by law or by a decision of the tax administrator.

(3) After the end of the period of taxation or the period for which a tax return or summary is being filed, the paid tax advances shall be credited towards the payment of the due tax.

(4) If a change of the periodicity or the amount of advances depends on the last known tax, the change of the last known tax shall become effective in the month following the full force and effect of the tax assessment decision.

(5) In justified cases, the tax administrator shall assess advances in another manner or permit an exemption from the obligation to pay tax advances even for the entire period of taxation.

(6) Where a tax subject becomes obliged to pay a tax for which the law stipulates the obligation to pay advances, the tax administrator shall assess the advances to be paid by the tax subject, at the tax subject's request or in an official capacity, while taking account of the expected tax liability; where the tax subject becomes obliged to register themselves at the same time, the data necessary for assessing such a tax shall be provided by the tax subject during the registration.

Division 5

Tax Exaction

Section 175

Methods of Exaction

(1) The tax administrator may exact the arrears through a tax execution or may secure exaction of the arrears through a court executor or may claim the arrears in insolvency proceedings or register them in a public auction.

(2) The tax administrator shall select the method of exaction of the arrears so that the amount of costs connected with the exaction to be paid by the tax subject is not evidently disproportionate to the amount of the arrears.

(3) When exacting the arrears, the tax administrator is also competent to collect them.

Section 176

Execution Title

(1) An execution title is

- a) a statement of arrears, drawn up on the basis of data from the tax records,
- b) an enforceable decision setting out the monetary performance, or
- c) an enforceable securing order.

(2) The statement of arrears shall contain

- a) identification of the tax administrator that issued the statement of arrears,
- b) reference number,
- c) identification of the tax subject that failed to settle the arrears (hereinafter referred to as the "debtor"),
- d) information about individual arrears,
- e) the signature of the official person, their name and position, and an imprint of the official stamp; this element may be substituted by a qualified electronic signature of the official person,
- f) confirmation of enforceability,
- g) the day as of which the statement of arrears is drawn up.

Subdivision 1

Tax Execution

Section 177

Relation to the Civil Procedure Code

(1) Unless stipulated otherwise by this Act, tax execution shall follow the procedure under the Civil Procedure Code.

(2) The powers of the tax administrator as the execution authority are regulated solely by this Act. Where the tax administrator acts as the party entitled from the execution title, the provisions of the Civil Procedure Code regulating the position of the entitled party shall apply accordingly.

Section 178

Ordering Tax Execution

(1) The tax execution shall be ordered by the issue of an execution order which initiates the execution proceedings.

(2) The statement of the execution order shall contain, in addition to the elements under [Section 102 Subsection 1](#)

- a) the tax execution method,
- b) the amount of the arrears for which the execution is ordered,
- c) the amount of the execution costs under [Section 183 Subsection 1 and 2](#),
- d) a reference to the execution title.

(3) If the sum for which the tax execution was ordered is increased, after the tax execution was ordered, by the interest on arrears, the tax administrator shall also order, in the statement of the execution order, the execution for such interest, and the statement shall also specify the method of calculation of the interest; no execution costs shall arise from the interest on arrears arisen after the tax execution is ordered.

(4) The execution order shall be served on the debtor and other recipients of such a decision, and no legal remedies may be filed against it.

(5) The tax execution may only be carried out in the following manners

- a) making deductions from wages,
- b) garnishing an account at a payment service provider to exact the receivable,
- c) garnishing another monetary receivable,
- d) affecting other proprietary rights,
- e) selling movable assets, or
- f) selling immovable assets.

Section 179

Exclusion of Property from Tax Execution

(1) Having ordered the tax execution, the tax administrator shall, on the petition of a party which has a right to property not allowing execution or on the petition of a party on which the execution order imposes an obligation concerning such property, or in an official capacity, issue a decision to exclude from the tax execution such property to which the right not allowing execution relates; the recipients of such a decision are the debtor and other parties which filed the petition for the exclusion of property from the tax execution.

(2) The decision on the petition for the exclusion of property from the tax execution shall be issued by the tax administrator within 30 days. An appeal of the decision on the exclusion of property from tax execution may be filed within 15 days from the day of its service. Throughout the duration of the proceedings on the petition for the exclusion of property from the tax

execution, the property which is the subject of the petition must not be sold; this shall not apply to perishable items.

(3) The parties which may file a petition for the exclusion of property from the tax execution and are recipients of the execution order may file, with the tax administrator which ordered the tax execution, a petition for the exclusion of property from the tax execution within 15 days from the day of service of the execution order.

(4) The parties which may file a petition for the exclusion of property from the tax execution and are not recipients of the execution order may exercise their right by filing a petition with the tax administrator which ordered the tax execution, within 15 days from the day when they became aware that the tax execution had been ordered on their property but no later than by the initiation of the auction proceedings; if such a property is not offered at an auction, then no later than by the day when the tax execution was carried out.

Section 180

Property Declaration

(1) If the arrears being exacted were not or could not have been settled through a tax execution by garnishing an account at a payment service provider to exact the receivable, the debtor is obliged to submit a property declaration within the term set out in the tax administrator's call. The term for submitting a property declaration must not be shorter than 15 days from the day of service of the call. In the call, the tax administrator shall inform the debtor about the obligations connected with the service of the call and about any consequences connected with the failure to submit the declaration or with the provision of false or grossly distorted information; in respect of the failure to fulfil this obligation, the tax administrator is not bound by the obligation of confidentiality for the purposes of criminal proceedings.

(2) In the property declaration, the debtor is obliged to state full and true information about their property, including property held in tenancy by the entirety. The debtor's signature on the property declaration that is not submitted orally in the transcript or through a data message under [Section 71 Subsection 1](#) must be certified.

(3) In the property declaration, the debtor is obliged to state

a) the payers of wages or any other income that may be subject to deductions from wages, and the amount of such debtor's entitlements,

b) the payment service providers at which the debtor has funds on accounts, the account numbers and the amounts of funds kept on them,

c) the parties from which the debtor has other financial receivables, and the grounds, amounts and due dates of such receivables,

d) the parties towards which the debtor has other proprietary rights or entitlements to other assets, their grounds and value and, where applicable, the date when the performance is due,

e) the movable assets the debtor owns or in which they hold a co-ownership share, except for assets not subject to the enforcement of the decision, and the place where or the person with which such assets are located; the same shall apply to the deposit books, certificates of deposit and other forms of deposits, securities, including booked and immobilised ones, and the documents the submission of which is necessary for the exercising of the ownership right to the asset, as well as stamps, money and other means of payment,

f) the immovable assets the debtor owns or in which they hold a co-ownership share, and its amount,

- g) the business enterprises the debtor owns, and their location,
- h) other property not listed in Paragraphs a) through g),
- i) legal defects attached to the stated property,
- j) an express declaration that the debtor provided complete and true information about their property, including property held in tenancy by the entirety.

(4) If the debtor made a declaration of their property at the tax administrator in the last 6 months, the tax administrator shall only call on the debtor to provide information about changes and to supplement the property declaration. The same procedure shall apply if the debtor submits a transcript of the property declaration together with a list of property which was drawn up by a court in the last 6 months.

(5) The debtor is not obliged to submit a property declaration required by the tax administrator in its call if

- a) insolvency proceedings have been initiated against the debtor,
- b) receivership, temporary administration or administration for crisis management has been established at the debtor, or
- c) the arrears being exacted have ceased to exist.

(6) A legal conduct of the debtor concerning the debtor's property, except for the legal conduct consisting in routine business activities, satisfaction of basic living needs and property administration, including its routine maintenance, carried out by the debtor after receiving the call under [Subsection 1](#) or the call under [Subsection 4](#) is ineffective in relation to the tax administrator and other parties that have a receivable from the debtor that is recoverable under an execution title.

Section 181

Deferral and Discontinuation of Tax Execution

(1) The tax administrator may defer the tax execution, partially or fully, on the debtor's petition or in an official capacity, in particular where the facts decisive for the discontinuation of the tax execution, the exclusion of an object of execution from the list of items, or the conditions for the deferral of the payment of arrears are being investigated. Unless set out otherwise by the tax administrator in the decision on the deferral of the tax execution, the legal effects of the execution acts which have already been carried out shall continue to apply. If the reasons that led to the deferral of the tax execution cease to exist and the execution is not discontinued, the tax administrator shall decide to continue the tax execution.

(2) On the petition of the recipient of the execution order or in an official capacity, the tax administrator shall discontinue the tax execution fully or partially if

- a) the legal conditions for ordering the tax execution have not been met,
- b) the reason for which the tax execution was ordered has ceased to exist,
- c) it permits the deferral of the settlement of the arrears,
- d) it has been finally decided that the tax execution affects property to which a right not allowing execution is attached, or an item that is not subject to the execution,

- e) the right to exact the arrears has ceased to exist,
- f) the expected proceeds are insufficient to cover even the execution costs,
- g) continuation in the tax execution would be connected with disproportionate difficulties,
- h) several tax executions were ordered, and only one of them would be enough to settle the arrears being exacted, or
- i) there is another reason for which the tax execution cannot continue.

(3) The decision on the deferral as well as the decision on a continuation in the deferred tax execution or the decision on a discontinuation of the tax execution shall be served on all recipients of the execution order. Where a partial discontinuation of a tax execution is concerned, the decision shall only be served on the debtor and the payer of wages, the payment service provider or other garnishee (hereinafter referred to as the "garnishee") to which the partial discontinuation relates. The decision on the dismissal of a petition for the deferral or discontinuation of a tax execution shall only be served on the petitioner.

(4) No legal remedies may be filed against decisions under [Subsection 3](#).

Execution Costs

Section 182

(1) The execution costs shall be paid by the debtor unless the tax execution was conducted wrongfully.

(2) The execution costs consist in the reimbursement of the costs of ordering the tax execution, the reimbursement of the costs of sale, and the reimbursement of cash expenses incurred when the tax execution was conducted.

(3) As for execution where the execution title is a securing order, only cash expenses shall be reimbursed.

(4) The amount of the execution costs shall be set out by the tax administrator in an order or separate decision; an appeal against such a decision may be filed within 15 days from the day of its service.

(5) The amount of cash expenses shall always be set out by the tax administrator in a separate decision. The set amount of cash expenses shall be reimbursed by the debtor within 15 days from the day when the decision was served on them. The cash expenses that relate to the sale shall be reimbursed by the debtor even if no auction took place or the object of the tax execution was not liquidated.

(6) The execution costs shall be recorded on the personal tax account of the debtor and shall be exacted together with the arrears.

Section 183

(1) The costs of ordering a tax execution shall amount to 2% of the sum for which the tax execution was ordered, but no less than CZK 500 and no more than CZK 500,000; the obligation to pay such costs shall arise for the debtor upon the issue of the execution order or upon the issue of a separate decision by which the tax administrator sets out the amount of the execution costs.

(2) The costs of sale shall amount to 2% of the sum for which the tax execution was ordered, but no less than CZK 500 and no more than CZK 500,000; the obligation to pay such costs shall arise for the debtor upon the initiation of the auction or upon the liquidation of the object of the tax execution outside of an auction.

(3) The execution costs under [Subsection 1 and 2](#) may only be demanded once in respect of the same arrears. These costs shall be calculated from the sum being exacted that is rounded down to whole hundreds of crowns.

Section 184

(1) The tax administrator may withhold, from the tax execution proceeds, a sum in the expected amount of cash expenses in order to settle such a sum when the actual amount of cash expenses is determined.

(2) The payment of cash expenses shall be transferred to the tax administrator's budget if the tax administrator paid advances on such expenses from its own budgetary means.

(3) Where the recovered sum is transferred from a personal deposit account to the personal tax account of the tax subject, the execution costs shall always be paid in priority to the others, and the cash expenses shall be reimbursed first in order.

(4) If any execution acts are carried out jointly in respect of arrears being exacted from several debtors, the tax administrator shall divide the reimbursement proportionately to the amounts of the arrears being exacted.

(5) If the wrongfulness of exacting within the scope of divided administration was caused by a public authority which handed over the monetary performance for exacting, such an authority shall pay, to the tax administrator which exacted the arrears of such a monetary performance, the incurred cash expenses and the granted interest arisen from the wrongful conduct of the tax administrator, or compensation for damage, where appropriate.

Section 185

Common Provisions on Tax Execution

(1) If a tax execution relates to property held in tenancy by the entirety or property of the debtor's spouse, the debtor's spouse shall have the same position as the debtor in respect of such property; in case of doubt, it shall be deemed that the property is held in tenancy by the entirety.

(2) If the funds obtained through a tax execution exceed the amount of the arrears being exacted, a refundable overpayment shall arise for the debtor and shall be refunded by the tax administrator even without a request within 15 days.

(3) If the local competence has changed in the course of a tax execution by the sale of movable assets or by the sale of immovable assets, the tax execution shall be completed by the tax administrator which ordered the tax execution.

(4) A tax execution may also affect the debtor's proprietary right, movable asset or immovable asset which are to pass to the fideicommissary heir as the subsequent heir and of which the debtor may not freely dispose.

(5) Where this Act stipulates the debtor's obligation to provide information to the tax administrator, such an obligation shall not apply to the information the tax administrator is able to ascertain from a public register by remote and continuous access; this shall not apply to property declarations.

Subdivision 2

Tax Execution by Affecting Proprietary Rights

Section 186

General Provisions on Tax Execution by Affecting Proprietary Rights

(1) In a tax execution by affecting proprietary rights, the tax administrator shall issue an execution order imposing obligations on the debtor and on the garnishee which is authorised to dispose of a proprietary right of the debtor.

(2) The tax administrator shall notify the garnishee of the full force and effect of the execution order without undue delay; such a notification shall be served into own hands.

(3) If the garnishee fails to fulfil an obligation imposed on them by the execution order and by law in a due and timely manner, the tax administrator shall have the right to have the obligation fulfilled from the resources of such a garnishee; such a right shall be exercised by the tax administrator by filing an action with a court.

(4) If the local competence has changed in the course of the tax execution, the current competent tax administrator shall notify the garnishee of the change of the local competence and, at the same time, shall notify the garnishee of the new account number at a payment service provider to which the proceeds shall be remitted from then on.

Tax Execution by Deductions from Wages

Section 187

(1) A tax execution by deductions from wages shall be carried out through deductions from wages and other income up to the amount of the sum stated in the execution order.

(2) From the moment when the payer of the debtor's wages received the execution order, for the duration of the tax execution, the payer of the debtor's wages is obliged to make the set deductions from the debtor's wages and not to pay the deducted sums to the debtor.

(3) On the debtor's petition, the tax administrator may, for serious reasons, reduce the amount of the sum which is to be deducted from the debtor's wages in favour of the tax execution in the concerned payment period. If the reasons for which the petition was granted cease to exist, the tax administrator shall reverse the decision on the reduction of the deduction. No legal remedies may be filed against this decision and against the decision on the petition.

(4) The tax execution shall also apply to the wages from a payer of wages which becomes the payer of the wages after the tax execution is ordered. The tax administrator shall serve the execution order on such a payer of wages and, at the same time, shall impose on them the obligation to continue to make deductions from the debtor's wages, and shall also state the amount of the arrears for the settlement of which the deductions shall continue being made; the order obtained by the arrears being exacted at the former payer of wages shall be maintained. No legal remedies may be filed against the decision on a continuation in deductions from wages.

Section 188

(1) If the tax administrator orders several payers of wages to make deductions, it shall set out what part of the basic sum they are not to deduct.

(2) If the debtor's income does not reach, at any payer of wages, even the amount of the

set part of the basic sum, such a payer of wages is obliged to notify the tax administrator of such a fact without undue delay; then the tax administrator shall decide again what part of the basic amount is not to be deducted by each payer of wages.

Section 189

(1) The debtor is obliged to notify the tax administrator of any arisen entitlement to wages at another payer of wages as well as the expiry of the entitlement to wages at the current payer of wages within 8 days from the day when such facts occurred.

(2) The payer of wages is obliged to notify the tax administrator within 8 days that

- a) the debtor has taken up new employment with them,
- b) the debtor ceased to work with them,
- c) the debtor commenced work with another payer of wages.

(3) For failure to fulfil the obligations referred to in [Subsection 1 and 2](#), the tax administrator may impose on the debtor or on the payer of wages a disciplinary fine up to CZK 50,000.

Section 190

Tax Execution by Garnishing an Account at a Payment Service Provider to Exact the Receivable

(1) A tax execution by garnishing an account at a payment service provider to exact the receivable shall be carried out by taking funds of the debtor from the debtor's account kept in any currency, up to the amount of the sum stated in the execution order, and by paying them to the tax administrator. The execution order shall be served on the payment service provider earlier than on the debtor.

(2) From the moment when the payment service provider received the execution order, for the duration of the tax execution, the payment service provider is obliged not to pay funds from the debtor's account that is garnished in order to exact the receivable, not to carry out any set-offs against such funds, and not to dispose of them in any manner, up to the amount of the sum stated in the execution order; this shall also apply to the funds received on such an account within 6 months from the day of notification of the full force and effect of the execution order.

(3) If a tax execution is ordered for several accounts, the tax administrator shall set, in the execution order, the order of accounts in which the payment service provider is obliged to debit the accounts with the funds.

Section 191

Tax Execution by Garnishing Another Monetary Receivable

(1) A tax execution by garnishing another monetary receivable shall affect a debtor's monetary receivable other than the entitlement to wages or entitlement to a receivable from an account at a payment service provider, up to the sum stated in the execution order. Such an execution may also be ordered where the debtor's receivable will become due in the future as well as where part receivables will gradually arise for the debtor on the same legal grounds in the future. The execution order shall be served on the garnishee earlier than on the debtor.

(2) From the moment when the garnishee received the execution order, for the duration of the tax execution, the garnishee must not pay the debtor's receivable to the debtor, must not

carry out any set-off against it and must not dispose of it in any other manner. From such a moment, the debtor must not dispose of their receivable and loses the right to have it paid out.

(3) Any acts necessary for the payment of the debtor's receivable to the tax administrator, which are to be carried out by the debtor, may be carried out by the tax administrator instead of the debtor.

Tax Execution by Affecting Other Proprietary Rights

Section 192

(1) Where a tax execution is carried out by affecting the debtor's proprietary rights other than under [Section 178 Subsection 5 Paragraphs a\) through c\)](#), provided that such rights are not personally associated with the debtor and are transferrable to another party, the provision on carrying out such a method of tax execution that corresponds to the nature of the proprietary right affected by the execution shall apply accordingly.

(2) Any acts necessary for the exercise of another proprietary right under [Subsection 1](#), which are to be carried out by the debtor, may be carried out by the tax administrator instead of the debtor.

Section 193

(1) In order to affect a receivable concerning the release or delivery of movable assets, the tax administrator shall take the procedure to garnish a receivable other than a monetary receivable, issuing an execution order in which it shall prohibit the release or delivery of the assets to the debtor and shall order their release or delivery to the tax administrator. The execution order shall be served on the garnishee earlier than on the debtor.

(2) Simultaneously with the notification of the full force and effect of the execution order, the tax administrator shall specify the method, place and time of the fulfilment of the receivable, even if the term for fulfilling the receivable takes place in the future.

Subdivision 3

Tax Execution by the Sale of Movable Assets and Immovable Assets

Auction

Section 194

(1) In order to carry out a tax execution by the sale of movable assets and immovable assets, the tax administrator may order and conduct an auction.

(2) The auction shall be managed by a tax executor which shall mean, for the purposes of this Act, an official person charged to carry out the tax execution; such proceedings are open to the public.

(3) The tax administrator may charge another official person to carry out auctioning acts (hereinafter referred to as the "auctioneer") and may appoint another official person to secure the proper course of the auction.

(4) A person participating in an auction is anyone who appears in order to participate in the action before the auction is initiated, and proves that they meet the conditions for participation in the auction. If it is an auction of an immovable asset, only a person who has given auction security before the auction is initiated may participate in the proceedings; giving the auction

security shall be proved by such a person in the manner set out in the advertisement of auction. Persons participating in an auction are obliged to identify themselves. Persons participating in an auction are also obliged to have themselves recorded in the list of persons participating in the auction, and to receive and use the auction number plate if assigned.

(5) A bidder is a person participating in an auction who made a bid in the course of the auction. If an object was knocked down to a bidder, they become the succeeding bidder.

Section 194a

(1) The tax administrator shall conduct an auction electronically if it is technically equipped to do so; this shall not prevent the tax administrator from conducting an auction otherwise than electronically in justified cases.

(2) In a manner allowing remote access, the tax administrator shall publish

- a) the fact that it is technically equipped for conducting an electronic auction,
- b) the conditions and procedure of conducting the electronic auction.

(3) The provisions on auctions shall apply accordingly to electronic auctions.

Section 195

(1) The tax administrator shall order an auction by an advertisement of auction.

(2) The advertisement of auction shall contain, in addition to the elements under [Section 102 Subsection 1 Paragraphs a\), b\), g\) and h\)](#),

- a) the date and time when the auction will be initiated and, where appropriate, the date and time when it will end if the action will be conducted electronically,
- b) the place where the auction will be conducted; this shall not apply to actions conducted electronically,
- c) the specification and description of the object offered at the auction,
- d) where several objects are to be auctioned, the order in which they will be auctioned as well,
- e) the ascertained or resulting price of the object offered at the auction,
- f) the amount of the lowest bid,
- g) the method and term for payment of the highest bid, and the conditions on which the succeeding bidders may take over the auctioned objects and on which they will become their owners,
- h) the call that anyone who has a right not allowing to carry out the tax execution shall exercise such a right at the tax administrator and shall prove such an exercise of the right before the initiation of the auction, including the information that otherwise no account shall be taken of their right during the tax execution,
- i) the call to claim receivables secured by a lien, the right of retention or collateral conveyance of title, including the instruction on the method of claiming and the information that otherwise no account shall be taken of such receivables.

(3) With regard to the object offered at the auction, the advertisement of auction shall also

contain

- a) the amount of the auction security and the method of its payment,
- b) the time and place of inspection of the objects offered at the auction, and organisational arrangements for the inspection,
- c) the rights and defects associated with the objects offered at the auction, and the specification of the defects concerning which it was decided under [Section 221 Subsection 3 Paragraph c\)](#) that they shall not cease to exist as a result of the sale at the auction.

(4) Where an electronic auction is conducted, the advertisement of auction shall also contain:

- a) the address of the website where the electronic action will be conducted,
- b) the address of the website where the conditions and procedure of the electronic auction are published.

(5) The advertisement of auction shall not state the grounds. If the tax administrator decides to cancel the auction, such a decision shall be served like the advertisement of auction. No legal remedies may be filed against such decisions.

Section 196

(1) The advertisement of auction shall be served by the tax administrator into own hands to

- a) the debtor,
- b) the co-owner of the object offered at the auction,
- c) other persons concerning which the tax administrator is aware that they have a pre-emption, right in rem, right of lease or usufruct, the right for use for life or the reservation of the repurchase to the object offered at the auction,
- d) the tax administrator which has already claimed the debtor's arrears,
- e) the party which joined the tax execution as a party entitled from an execution interrupted under another legal regulation¹⁷⁾.

(2) The tax administrator shall serve the advertisement of auction on the other parties by publishing it in the manner under [Section 56 Subsection 2](#) until the initiation of the auction but for no less than

- a) 30 days for an auction of immovable assets, or
- b) 20 days for an auction of movable assets.

(3) At the request of the competent tax administrator, the advertisement of auction shall also be published in a usual manner by the municipal authority in the district of which the immovable asset that is offered at the auction is located.

(4) The tax administrator may also request the publication of the advertisement of auction by the municipal authority in the district of which the debtor has their last known residence or registered office.

Section 197

(1) Anyone who exercises a pre-emption or reservation of repurchase in respect of an object offered at an auction is obliged to prove such a right to the tax administrator within the term set out in the advertisement of auction. Before the auction is initiated, the tax administrator shall decide whether the pre-emption or reservation of repurchase have been proved; no legal remedies may be filed against such a decision. If such rights have been proved, the party who has such rights may only exercise them in the auction as a bidder; such rights shall cease to exist upon the passage of the ownership of the object offered at the auction to the succeeding bidder unless a statutory pre-emption right is concerned.

(2) Anyone who has a receivable from the debtor where such a receivable is secured by a lien or right of retention or collateral conveyance of title attached to the object offered at the auction, and such a receivable is other than the one for which the tax execution is being carried out, such a party may register the receivable at the tax administrator so that the receivable is satisfied from the auction proceeds division, and shall prove the receivable by relevant documents no later than by the initiation of the auction, otherwise the tax administrator shall dismiss a petition for the registration of the receivable. A similar procedure shall be taken where a party entitled from an execution interrupted under another legal regulation registers themselves.

(3) Dismissal of a petition for the registration of a receivable which does not comply with the conditions of registration shall be communicated by the tax administrator in a decision to the party which filed the petition; no legal remedies may be filed against such a decision.

(4) Tax receivables due from the debtor other than those for which the tax execution is being carried out may be registered by the tax administrator which carries out the execution proceedings or by another tax administrator for satisfaction from the auction proceeds division but no later than by the initiation of the auction.

Section 198

(1) An auction may be conducted in the registered office of the tax administrator or where the object offered at the auction is located or in another suitable place.

(2) The tax executor shall initiate the auction and, prior to initiating the bidding, shall state

- a) whether any claimed pre-emption or reservation of repurchase has been proved,
- b) who registered their receivables and in what amount,
- c) whether anyone joined the tax execution as a party entitled from an execution interrupted under another legal regulation,
- d) any changes concerning the information stated in the advertisement of auction,
- e) whether the preconditions for conducting the auction have been met,
- f) the lowest bid and the minimum amount of increments.

(3) The tax executor

a) may exclude from the auction a person participating in the auction and banish other present persons from the auction room if they disturb the course of the proceedings, or may request the competent security corps to take such persons out and establish order,

b) may remove the auctioneer if they fail to fulfil the duties stipulated by law, and afterwards shall fulfil the auctioneer's duties in person until the end of the auction,

c) may interrupt or discontinue the auction if the action cannot continue for technical reasons or due to the improper behaviour of the persons participating in the auction or other present persons or for other reasons.

(4) If the tax executor interrupts the auction, they shall set out the time when the auction is to continue in the same place. If the interrupted auction cannot continue on the same day, the decision on the continuation shall be notified in the same manner in which the advertisement of auction was served. The decision on the interruption and continuation in the auction on the same day shall not be served; the day of service shall mean the moment of announcement of the time of continuation in the auction on the same day to the persons present at the auction. No legal remedies may be filed against the decision on the interruption and continuation in the auction.

Section 199

(1) The bidding for individual items lasts as long as the persons present at the auction make bids.

(2) A bid is an offer of a certain sum pronounced by a bidder as a sum the bidder undertakes to pay for the auctioned item after it is knocked down to them.

(3) Unless any bidders make a higher bid, the auctioneer shall knock down the object, by the words "for the third time" ("potřetí") to the bidder who made the highest bid. Before the knock-down, the auctioneer shall ask the persons participating in the auction whether they have any reservations about the knock-down.

(4) If the tax executor finds the reservations about the knock-down well-founded, the auctioneer shall continue in the auction by calling the penultimate bid. Otherwise, the auctioneer shall decide to knock down. The decision on the knock-down shall not state the grounds, and no legal remedies may be filed against it unless it is a knock-down at an auction of an immovable asset.

(5) Bidders shall be bound by their bids unless a higher bid has been made. The price of the auctioned object shall not be restricted by price regulations.

(6) Where several bidders make the same highest bid, the object shall be knocked down to the one which has the pre-emption or reservation of repurchase; where the same highest bid has been made by several bidders which have the pre-emption or reservation of repurchase, the object shall be knocked down to the bidder that was the first to make such a bid. If the object is not knocked down in this manner, it shall be knocked down to the bidder that was the first to make such a bid. If it is not possible to determine which bidder was the first to make such a bid, the auctioneer shall determine the succeeding bidder by lot.

Section 200

(1) The course of auction shall be recorded in a transcript, which shall record the course of bidding for individual objects, the highest bids made and individual decisions on knock-downs, reservations made about knock-downs and the manner of their handling.

(2) The transcript shall be signed by the tax executor and by the persons who made reservations about a knock-down.

(3) If for the sake of practicality and economic efficiency, the tax administrator orders to conduct several auctions for several different tax executions within single proceedings even against several debtors, the transcript of the course of the auction shall be drawn up so that it is clear what sales proceeds were achieved in individual tax executions.

Section 201

The following persons must not bid

- a) the tax executor, auctioneer and other official persons of the tax administrator which ordered the auction, the debtor and the debtor's spouse or their representatives, and the persons who are inhibited by another legal regulation¹⁸⁾ from acquiring the object that is offered at the auction,
- b) the succeeding bidder for an object offered at the auction that is being auctioned again, because such a succeeding bidder failed to pay the highest bid within the set term.

Section 202

The auction shall be finished if all the objects offered at the auction for which the succeeding bidder was found were sold at the auction, or as soon as the proceeds reached by the auction are enough to satisfy the exacted arrears and other claims that are to be satisfied from the division of the proceeds.

Tax Execution by the Sale of Movable Assets

Section 203

(1) A tax execution by the sale of movable assets owned by the debtor or by the sale of a co-ownership share in a movable asset shall be carried out by making a list of the assets subject to execution and liquidating them unless this is excluded by the nature of the asset.

(2) A tax execution by the sale of movable assets may affect movable assets, except for assets that may be subject to a tax execution by affecting proprietary rights.

(3) If required by the purpose of the execution, the tax executor may search the residence, registered office or other rooms of the debtor as well as their wardrobes or other boxes located therein where the movable asset the debtor is to release is reasonably expected to be located; for that purpose, the tax executor may arrange access to such premises; [Section 80 Subsection 2 and 4](#) shall apply accordingly.

(4) If there is a reasonable suspicion that the debtor is hiding a movable asset that is subject to execution with them, and if the call to release the hidden asset is ineffective, the tax executor may carry out a personal search.

(5) Personal searches shall be carried out by an official person of the same sex.

Section 204

(1) The assets to be sold shall be determined by the tax executor in the list of assets.

(2) The debtor must not dispose of the listed assets. Legal conduct by which the debtor breached this obligation shall be invalid.

(3) When beginning to make the list of assets, the tax executor shall state the purpose of their arrival, call on the debtor to settle the arrears being exacted, and serve on the debtor the execution order for the sale of movable assets; if the debtor is not present, the execution order shall be served on them together with the transcript on listing the assets.

Section 205

(1) If the tax administrator finds out that securities booked and immobilised for the debtor are registered with a party authorised to keep a register of investment instruments¹⁹⁾, it shall

specify such securities in the execution order which shall be served on the debtor and the party authorised to keep the register of investment instruments.

(2) The execution order shall always be served by the tax administrator on the party authorised to keep the register of investment instruments earlier than on the debtor, and from that moment the debtor must not dispose of such securities; the party authorised to keep the register of investment instruments shall enter such a fact into the register.

Section 206

(1) The tax executor shall list assets that the debtor may most likely do without and that are easiest to be sold, in particular.

(2) Any perishable items shall only be listed if there is no sufficient quantity of other assets and if their quick sale can be arranged.

(3) Movable assets that are a part of the accessories of an immovable asset cannot be listed.

(4) Assets of a special nature, such as deposit books, deposit certificates, certificated securities, certificates the submission of which is necessary to exercise the ownership right to an asset, stamps, money, payment cards and other means of payment, precious metals, semi-precious stones and precious stones subject to execution, shall be listed and seized by the tax executor at the same time.

(5) The debtor's assets that are in the possession of another person may also be listed. Such a person is obliged to release such assets to the tax executor.

(6) The tax executor shall add other assets to the list if the proceeds from the sale of listed assets are not enough to settle the arrears being exacted.

Section 207

(1) The tax executor shall seize the listed assets especially if there is a concern that the listed assets will be damaged, destroyed, modified, hidden or stolen, and shall arrange their appropriate securing. This act may also be carried out by the tax executor subsequently.

(2) If the debtor agrees, the tax executor may place the listed assets into a room which is dedicated by the debtor and which shall be locked and secured with an official seal.

(3) The listed assets may also be left by the tax executor in the place where they were listed. In such a case, the tax executor shall visibly mark the listed assets. It must be evident from the marking which tax administrator listed the assets and when.

(4) Any acts necessary for seizing and securing a listed asset of the debtor, which are to be carried out by the debtor, may be carried out by the tax administrator instead of the debtor.

Section 208

(1) The transcript of the course of listing the assets shall contain in particular

a) the manner how the tax administrator will secure the listed assets, or information whether the assets have been seized, and

b) the identification of the debtor's spouse or co-owner of the listed assets.

(2) If the debtor is present during the listing, the transcript of the course of listing the

assets shall also contain

- a) the manner and time of service of the execution order on the debtor,
- b) the call on the debtor to settle the arrears being exacted.

(3) If necessary, the transcript of the course of listing the assets shall also contain

- a) the declaration of the debtor or another person present during the listing that assets have already been listed by a court, another tax administrator or another authorised person,
- b) the ownership or other right and defects attached to the listed assets as stated by the debtor or another present person during the listing of the assets, or
- c) the instruction given by the tax executor concerning the procedure to be taken in the event of the exclusion of assets from the tax execution.

(4) The transcript of the course of listing the assets shall be accompanied by the list of assets stating the serial number of the asset, its brief description and the expected proceeds from the sale.

(5) Apart from the main asset that has the nature of a separate asset, the list of assets shall also include accessories of such an asset or shall specify parts of such an asset, or the transcript shall contain the information that it is a set of assets.

(6) If the debtor was not present during the listing of assets, the tax administrator shall notify them of a counterpart of the transcript of the course of listing the assets subsequently. A co-owner of the listed assets, if known to the tax administrator, shall also be notified by the tax administrator of a counterpart of such a transcript.

Section 209

(1) After the execution order enters into full force and effect, the tax administrator shall determine the price of the listed assets by an estimate in simple cases unless the price or the method of its determination is set out by another legal regulation; the tax administrator shall record the price in an official record. In other cases, the tax administrator shall appoint an expert to determine the price of the listed assets.

(2) In order to determine the price of cultural monuments and national cultural monuments²⁰⁾, museum-type collections and collection items that form parts of such collections²¹⁾, and objects of cultural value²²⁾, the tax administrator shall always appoint an expert.

(3) The determined price of perishable items shall be deemed to be the price determined by an estimate by the tax executor when making the list.

Section 210

(1) The listed objects shall be sold at an auction.

(2) Each object offered at the auction shall be auctioned individually or as a set.

(3) If an object offered at the auction forms a set and no succeeding bidder is found for it, individual objects may be auctioned separately, if this is set out in the advertisement of auction.

Section 211

(1) The lowest bid shall constitute no less than one third of the determined price.

(2) The succeeding bidder to whom the object was knocked down must pay the highest bid immediately; if they fail to do so, the object offered at the auction shall be auctioned again without their participation. Where an electronic auction is conducted, the succeeding bidder is obliged to pay the highest bid within the term set out in the advertisement of auction. Such a term must not be longer than 10 days from the knock-down.

(3) The tax administrator shall issue to the succeeding bidder a confirmation of payment of the highest bid which is, together with the decision on the knock-down, a proof of acquisition of the ownership of the auctioned object; if the succeeding bidder fails to take over the auctioned object, [Section 84](#) shall apply accordingly.

(4) If no succeeding bidder is found for an object offered at the auction, the tax administrator may repeat the auction if it may be assumed that the object will be sold.

(5) In respect of a movable asset to which other person's rights in rem, rights of lease or usufruct are attached or in respect of a movable asset the valuation of which by an expert exceeds CZK 500,000, the procedure set out for the valuation and sale at an auction during a tax execution by the sale of immovable assets and the procedure for the proceedings for division shall apply accordingly.

Section 212

Any listed objects the sale of which is prohibited or that cannot be traded without a licence shall be sold by the tax administrator outside of an auction to a party authorised by law to buy such objects or through a party licensed to trade in them, but for no less than half of the determined price. If there are several interested parties, the tax administrator shall sell the objects to the party which makes the highest bid.

Section 213

(1) If the list of assets includes

a) cultural monuments and national cultural monuments,

b) museum-type collections and collection objects that form parts of such collections, or

c) objects of cultural value,

the tax administrator shall offer them for sale to the competent government branch or, on the basis of an opinion of such a government branch, to a legal entity the mission of which includes the provision of care of objects referred to in Paragraphs a) through c), for no less than the determined price.

(2) If the sale takes place in the manner under [Subsection 1](#), the tax administrator shall record it in a transcript and hand over a copy of the transcript to the acquirer.

(3) If a party to which an object of an auction was offered does not reply to the offer within 30 days from the day of its service or does not pay the price determined in the offer within the term agreed with the tax administrator, the tax administrator shall sell such objects at an auction. The amount of the lowest bid shall be set out by the tax administrator to be no less than the amount of the determined price, even for a repeated auction.

Section 214

(1) Perishable items shall be sold by the tax administrator outside of an auction, even prior to the full force and effect of the execution order, to any interested party for no less than half of the determined price.

(2) If there are several interested parties, the tax administrator shall sell the items to the party which makes the highest bid and pays it on the spot when taking over the items.

(3) If the sale of the listed objects takes place in the manner under [Subsection 1](#), the tax administrator shall record the sale in a transcript and hand over a copy of the transcript to the acquirer.

Section 215

(1) If a deposit book, deposit certificate or another certificate of a similar form of deposit is included in the list, the tax administrator shall present it to the payment service provider together with the execution order for the sale of movable assets and shall withdraw from it a sum to which the debtor is entitled, but no more than the arrears being exacted.

(2) The payment service provider shall pay out the deposit to the tax administrator even if paying out such a deposit is conditioned.

(3) If the deposit is kept in a foreign currency, the payment service provider shall pay out the deposit to the tax administrator in the Czech currency.

(4) To the extent of the performance paid to the tax administrator, the payment service provider shall be discharged of its obligation towards the debtor.

(5) If a document proving the existence of a monetary receivable or receivable concerning the release or delivery of movable assets or the existence of another proprietary right was drawn up, the tax administrator shall present such a document to the garnishee together with the execution order for the sale of movable assets. Thereby the effects of the service of the execution order on the garnishee in accordance with the individual manners of the tax execution by affecting proprietary rights shall apply, and the following procedure shall be governed by the applicable provisions on the concerned manner of tax execution.

Section 216

(1) The securities included in the list shall be liquidated by the tax administrator, in accordance with the nature of the securities, by the sale of the securities or by the sale of the assets obtained by the tax administrator as a result of the exercise of the right from the securities.

(2) The booked and immobilised securities shall be liquidated by the tax administrator in accordance with legal regulations. The necessary acts shall be carried out by the tax executor.

(3) Concerning the acts carried out during the sale of securities, including booked and immobilised ones, [Section 191](#) shall apply accordingly.

(4) When liquidating securities that are connected with the right to be paid out the sum stated in the securities or revenues from the securities, and securities that are connected with the right to be released the asset after presenting the securities, [Section 215](#) shall apply accordingly.

Section 217

(1) The assets that have not been liquidated may be excluded by the tax administrator from the list of assets. The decision thereon shall be served on the debtor, and no legal remedies may be filed against it.

(2) In the decision on exclusion from the list of assets, the tax administrator shall call on the debtor to collect the assets excluded from the list within the set term or shall call on the debtor to inform the tax administrator, within the set term, where and when the debtor is ready to take

over the assets; the term shall begin on the day when the decision on the exclusion of assets enters into full force and effect.

(3) The tax administrator shall draw up a transcript of the return of the assets.

(4) If the debtor refuses to take over the assets excluded from the list or if such assets cannot be returned to the debtor because the debtor's stay is unknown or if the debtor did not collect the assets within the term set out in the tax administrator's call, the tax administrator may decide on their forfeiture to the State by the procedure under [Section 84](#).

Tax Execution by the Sale of Immovable Assets

Section 218

A tax execution by the sale of immovable assets may involve an immovable asset owned by the debtor. This procedure shall also apply to the sale of a co-ownership share in an immovable asset.

Section 219

(1) From the moment when the debtor was notified of the execution order, the debtor must not transfer the immovable asset to another person or encumber it. A legal conduct by which the debtor breached this obligation shall be invalid.

(2) Within 15 days from the moment when the debtor was notified of the execution order, the debtor is obliged to inform the tax administrator whether and who has a pre-emption to the immovable asset, and about other rights and defects connected with the immovable asset; if the debtor fails to fulfil this obligation, they shall be liable for damage thereby caused.

Section 220

(1) The tax administrator shall serve the execution order on the debtor and co-owners, if any, of the concerned real estate.

(2) The tax administrator shall also serve the execution order on the competent Land Register Office; subsequently, the tax administrator shall inform the Land Register Office in the same manner that the execution order entered into full force and effect.

Section 221

(1) After the execution order enters into full force and effect, the tax administrator shall appoint an expert to value the immovable asset, accessories thereof and individual rights and defects connected with the immovable asset, except for the rights and defects under [Section 231 Subsection 1 Paragraph c](#)). If the immovable asset, accessories thereof and individual rights and defects were valued by an expert within one year before the day when the execution order entered into full force and effect, and if the circumstances relevant for the valuation have not changed, new valuation by an expert shall not be carried out.

(2) The debtor and other persons, as the case may be, are obliged, on the tax administrator's call, to allow a local investigation for the purpose of examination of the immovable asset that is subject to the tax execution, and accessories thereof; the call must be notified no less than 8 days before the set date of the local investigation. If the debtor or other persons, as the case may be, do not allow the examination of the immovable asset, and as a consequence thereof the price of the immovable asset cannot be determined, the tax executor may arrange access to the debtor's immovable asset; [Section 80 Subsection 2](#) and [4](#) shall apply accordingly.

(3) Based on the results of valuation under [Subsection 1](#), the tax administrator shall

determine

- a) the price of the immovable asset and accessories thereof,
- b) the price of individual rights and defects connected with the immovable asset,
- c) the defects that shall not be removed by the sale at the auction²³⁾,
- d) the resulting price.

(4) The tax administrator shall determine the resulting price in a decision by deducting the defects that shall not be removed by the sale at the auction from the price of the immovable asset and accessories thereof and the price of rights connected with the immovable asset. An appeal may be filed against the decision within 15 days from the day of its service, and the auction may only be ordered after the decision enters into full force and effect.

(5) The decision on the resulting price shall be served by the tax administrator on the debtor, on the party which joined the tax execution as a party entitled from an execution interrupted under another legal regulation, on the co-owners, if any, and on the parties concerning which the tax administrator knows that rights or defects are attached to the immovable asset in their favour, except for the rights and defects under [Section 231 Subsection 1 Paragraph c](#)).

Section 222

(1) Where an immovable asset is being auctioned, the lowest bid shall amount to two thirds of the determined resulting price.

(2) The amount of the auction security shall be set out by the tax administrator depending on the circumstances, and such an amount shall not exceed half of the lowest bid; the auction security deposited by the succeeding bidder shall be credited towards the payment of the auctioned asset.

(3) The term set out in the advertisement of auction for paying the highest bid shall begin on the day when the decision on the knock-down enters into full force and effect, and must not be longer than 2 months.

(4) The decision on the knock-down shall be served by the tax administrator on the succeeding bidder, on the bidder who made reservations about the knock-down, on the debtor, on the party that joined the tax execution as a party entitled from an execution interrupted under another legal regulation, and on the co-owner, if any, of the concerned immovable asset.

(5) After the decision on the knock-down enters into full force and effect, the tax administrator shall notify the competent Land Register Office that the conditions for the passage of the ownership of the concerned immovable asset to the succeeding bidder have been met.

Section 223

(1) An appeal against the decision on the knock-down may be filed within 15 days from the day of its service.

(2) An appeal against the decision on the knock-down may also be filed within 15 days from the day of ending the auction, by the persons referred to in [Section 196 Subsection 1](#) on whom the advertisement of auction was not served, so they did not take part in the auction for that reason.

(3) The decision on the appeal shall be issued by the authority of appeal, which shall

either uphold the decision on the knock-down or change it so that the object has not been knocked down.

(4) The decision on the change shall be issued if there were such errors in the proceedings that prevented the appellant from participating in the auction, or if the object was knocked down in consequence of a breach of the law when ordering or conducting the auction.

(5) The decision on the appeal shall be served into the own hands of the appellant and the parties on which the decision on the knock-down was served.

Section 224

(1) The person to which the object was not knocked down shall be returned the paid auction security by the tax administrator within 30 days from the day when the auction was finished.

(2) If bidders filed an appeal against the decision on the knock-down, the tax administrator shall return them the auction security within 15 days from the day when the decision on the knock-down entered into full force and effect.

Section 225

(1) A repeated auction may be ordered no earlier than after the expiry of 3 months from the day of the original auction for the following reasons

a) not even the lowest bid was made,

b) based on the appeal against the decision on the knock-down, it was decided that the object was not knocked down, or

c) the decision on the knock-down was reversed due to the failure to pay the highest bid.

(2) At a repeated auction, the lowest bid shall amount to half of the resulting price of the immovable asset.

(3) Where a repeated auction failed again for a reason referred to in [Subsection 1](#), another repeated auction may be ordered on the same conditions if it may be assumed that the immovable asset will be sold.

(4) If during the time from the previous determination of the resulting price of the immovable asset, accessories thereof and individual rights and defects connected with the immovable asset to the time when a repeated auction is to be ordered, there was a change in the circumstances that may have an effect on its amount, the tax administrator may determine a new resulting price; [Subsection 2](#) shall not apply.

Section 226

(1) The tax administrator may extend the term for paying the highest bid at the request filed by the succeeding bidder prior to the expiry of the set term for paying such a bid, by no more than 30 days; such an extended term may be neither extended any further nor restored.

(2) Upon the expiry of the term set out in the advertisement of the auction for paying the highest bid or upon the expiry of the term extended under [Subsection 1](#) without the payment being made, the decision on the knock-down shall be reversed, and the tax administrator shall notify the succeeding bidder of such a fact.

Section 227

(1) The advertisement of the repeated auction shall also be served on the succeeding bidder which failed to pay the highest bid in time. The succeeding bidder is obliged to reimburse the tax administrator for the costs of the repeated auction and for the damage that arose because they failed to pay the highest bid, and if a lower highest bid was achieved at such an auction, they shall also pay the difference between such a bid and the highest bid; the auction security deposited by them shall be credited towards the reimbursement.

(2) The tax administrator shall issue a decision on the amount of the reimbursement under [Subsection 1](#) and, at the same time, shall set out the term within which the succeeding bidder is obliged to pay the sum that was not paid from the auction security, or the tax administrator shall return the remaining part of the auction security.

Proceedings for Division

Section 228

(1) After the decision on the knock-down enters into full force and effect and the highest bid is paid, the tax administrator shall call, without undue delay, on the creditors which applied for registration and their registration was not refused to inform the tax administrator, within 15 days from the day of service of such call, about the amount of their receivable and attribution thereof quantified as of the day when the decision on the knock-down entered into full force and effect, and about facts relevant for the order of the receivable. After the term set out in the call has expired, such a part of receivables and attribution thereof that were not quantified may not be considered.

(2) After the decision on the knock-down enters into full force and effect and the highest bid is paid, the tax administrator shall call, without undue delay, on the persons which are known to have easements, right of use for life or rights of lease or usufruct attached to the object of the auction in their favour, except for those concerning which it was decided under [Section 221 Subsection 3 Paragraph c](#)) that they shall not be removed by the sale at the auction, to inform the tax administrator, within 15 days from the day of service of such a call, whether they require the payment of reimbursement; otherwise, it shall be deemed that they consent to the payment of reimbursement to the succeeding bidder and to the continuation of such an easement, right of use for life or right of lease or usufruct after the change of the owner. A statement made after the expiry of the term set out in the call shall not be considered.

Section 229

(1) The auction proceeds shall be used first to settle the execution costs. Afterwards, the creditors whose receivables were secured by a seizure right shall be satisfied. The other receivables shall be satisfied in accordance with their order.

(2) The following shall be decisive for the order

- a) for a tax receivable for which a tax execution is ordered, the day the execution order was issued,
- b) for a registered tax receivable, the day it was registered with the tax administrator,
- c) for a receivable secured by a lien, the day the lien arose,
- d) for compensations for easements, the day the easement arose,
- e) for compensations for rights of lease or usufruct, the day the right of lease or usufruct arose,
- f) for compensations for a right of use for life, the day the right of use for life arose.

(3) If more receivables are in the same order and the auction proceeds are not enough for the full satisfaction thereof, such receivables shall be satisfied proportionally.

Section 230

(1) Based on the received statements under [Section 228](#), the tax administrator shall decide on the division of the auction proceeds, granting individual creditors the entitlement to the settlement of the receivable in the amount corresponding to their order, and on any expiry of rights in rem, rights of lease or usufruct or other rights and defects attached to the object of the auction; a timely filed appeal against such a decision shall have a suspensive effect.

(2) The decision on the division shall be served by the tax administrator on

a) the debtor,

b) the succeeding bidder,

c) the creditors which applied for registration and their registration was not refused,

d) the parties concerning which it is known that defects are attached to the object of the asset in their favour, except for those defects concerning which it was decided under [Section 221 Subsection 3 Paragraph c](#)) that they shall not cease to exist as a result of the sale at the auction.

(3) Compensation for the easement, right of use for life, or right of lease or usufruct shall be awarded by the tax administrator to the succeeding bidder if a person who has the right based on such an easement, the right of use for life, or right of lease or usufruct consents thereto.

(4) The awarded sums shall be paid out by the tax administrator after the decision on the division enters into full force and effect.

(5) After all the receivables to be satisfied have been settled, the remaining part of the divided auction proceeds shall become the debtor's overpayment, which shall be handled under [Section 185 Subsection 2](#). The term for refunding the refundable overpayment shall begin on the day when the decision on the division enters into full force and effect.

Section 231

(1) On the day when the decision on the division enters into full force and effect, the following shall cease to exist

a) the rights of retention and liens attached to the object offered at the auction,

b) the easements, rights of use for life and rights of lease and usufruct attached to the object offered at the auction; this shall not apply to the easements, rights of use for life and rights of lease and usufruct concerning which it was decided that they shall not cease to exist, and to the easements and rights of lease for which a compensation was provided to the succeeding bidder,

c) other rights and defects attached to the object offered at the auction.

(2) An agricultural usufructuary lease for which no compensation was provided to the succeeding bidder shall cease to exist at the end of the usufructuary lease year in which the auction took place.

(3) Neither the easements attached to the whole object offered at the auction nor the lien shall cease to exist as a result of the sale of the co-ownership share, unless they are only attached to the sold co-ownership share.

(4) The final decision on the division shall be served by the tax administrator on the competent Land Register Office or on the party which keeps another public register.

Section 232

(1) Where an application for registration was filed by a party entitled from an execution interrupted under another legal regulation or by a creditor whose receivable is secured by a collateral conveyance of title attached to the object offered at the auction, and their application was not refused, then the decision on the division of the auction proceeds shall be issued by a court on the petition of the tax administrator which carried out the tax execution.

(2) After the decision on the knock-down enters into full force and effect, and the highest bid is paid, the tax administrator shall submit a petition for the proceedings for division to the general court of the debtor.

(3) The tax administrator shall accompany the petition by a part of the file to the extent showing the course of the tax execution and the sum to be divided.

(4) After the final resolution of the court on the result of the proceedings for division is served, the tax administrator shall, without undue delay, settle the receivables in the amount set out in such a resolution, and shall refund any refundable overpayment to the debtor within 15 days from the day of service of such a decision.

CHAPTER VI

ADMINISTRATION OF WITHHOLDING TAXES

Withholding Tax

Section 233

(1) The tax remitter which is obliged, under the law, to collect or withhold a tax or a payment to secure a tax (hereinafter referred to as "withholding tax") is obliged to remit the withholding tax in the set term and amount.

(2) If the tax remitter fails to fulfil their obligation, they are obliged to remit the withholding tax without undue delay after they became aware of their misconduct.

(3) If the tax administrator finds out that the tax remitter failed to fulfil their obligation and, as a result, the withholding tax has not been paid, it shall assess such tax to be paid directly by the tax remitter.

Section 234

If the tax remitter's obligation to withhold a tax ceases to exist prior to the expiry of a calendar year, the tax remitter is obliged to file a summary for the passed part of the year, by the end of the month following the month in which the tax remitter was obliged for the last time to remit the withholding tax or to submit a report.

Section 235

(1) If the tax administrator finds out that the sum that was stated by the tax remitter in the summary differs from the sum which was to be withheld and remitted by the tax remitter, the tax administrator shall prescribe the difference between those sums in the tax records.

(2) If the difference referred to in [Subsection 1](#) increases the tax remitter's obligation to

withhold and remit a withholding tax, such a difference prescribed to be paid directly by the tax remitter shall be due in an additional term of 15 days from the day when the payment order enters into full force and effect.

(3) If the difference referred to in [Subsection 1](#) reduces the tax remitter's obligation to withhold and remit a withholding tax, such a difference shall be settled within the scope of tax administration carried out by the tax remitter. If such a difference cannot be settled, the tax remitter is obliged to refund the wrongfully withheld sum to the payer. The tax administrator shall refund the difference referred to in [Subsection 1](#) to the tax remitter within 30 days from the day when the tax remitter proves that they refunded the wrongfully withheld sums to the payer.

Section 236

(1) Where the tax administrator, having ascertained the tax, assessed the withholding tax additionally, the obligation to pay a penalty in addition to such a sum shall arise under the provision of [Section 251 Subsection 1 Paragraph a](#)).

(2) The interest on arrears of a withholding tax, which arose due to a delay prior to the tax assessment, shall be due within 30 days from the day of the tax assessment.

Section 237

Complaint about the Tax Remitter's Procedure

(1) If a payer has any doubts about the correctness of the withheld or collected tax, they may request the tax remitter for explanation no later than within 60 days from the day when the payer became aware of the amount of the withheld or collected tax. The request shall state the reasons for the tax payer's doubts.

(2) The tax remitter is obliged to provide the payer with a written explanation within 30 days from the day when they received the request and, within the same term, they shall correct any mistake and file a subsequent report or additional summary to the tax administrator at the same time.

(3) If the payer does not agree with the tax remitter's procedure, the payer may file a complaint about the tax remitter's procedure with the tax administrator locally competent for such a tax remitter within 30 days from the day when the payer received explanation from the tax remitter. If the tax remitter fails to fulfil their obligation under [Subsection 2](#), the payer may file such a complaint with the tax administrator within 60 days from the day when the tax remitter was to provide the payer with an explanation.

(4) In proceedings on a complaint about the tax remitter's procedure, [Section 111 Subsection 5](#) and [Section 112](#) shall apply accordingly. The tax administrator shall decide on the complaint either by granting the complaint or granting it partially and, at the same time, imposing on the tax remitter the obligation to remedy the situation within the set term, or by dismissing the complaint. Both the tax payer and tax remitter shall be notified of the decision on the complaint.

CHAPTER VII

LEGAL SUCCESSORSHIP AND RELATION TO INSOLVENCY

Division 1

Legal Successorship

Section 238

Termination of Activity

(1) A tax subject that is a legal entity being dissolved without a legal successor is obliged to submit, together with the application for deletion from the Commercial Register or similar public register, the consent of the tax administrator with which it is registered.

(2) If the tax administrator issued a negative decision on the tax subject's application for the consent to deletion, the application may be filed again after the expiry of 1 month from the day when the negative decision was served on the tax subject.

(3) If no decision on the application for the consent to deletion is issued within 2 months from the day when the application was filed, the consent shall be deemed granted.

(4) When finding out that the tax subject does not carry out an activity or does not receive income subject to tax, the tax administrator shall take measures necessary for prompt ascertainment, assessment and collection of tax, and for the settlement of arrears.

(5) The tax administrator shall notify the competent public authority of the facts it ascertained during its activities that indicate the fulfilment of the conditions set out by other legal regulations for

a) the dissolution of the legal entity,

b) the cancellation of the trade licence or suspension of the conduct of the trade, or

c) the cancellation of the licence based on which the tax subject was registered by the tax administrator.

(6) If the dissolution of the legal entity is conditioned by a petition, the tax administrator shall file the petition with the competent court in the event referred to in [Subsection 5 Paragraph a\)](#).

Heading Omitted

Section 239

Passage of Tax Liability

For the purposes of this Act, passage of a tax liability shall mean the passage of rights and obligations of the tax subject.

Section 239a

Passage of a Tax Liability of Natural Persons

(1) For the purposes of tax administration, the legal facts shall be considered as if the decedent lived until the day preceding the day when the inheritance proceedings ended.

(2) For the purposes of tax administration, the decedent's tax liability shall mean the tax liability arisen to the decedent by the day preceding the day when the inheritance proceedings ended.

(3) The decedent's tax liability shall pass to their heirs by the court decision on inheritance; the heir shall thereby acquire the position of the tax subject instead of the decedent.

(4) If there are several heirs, joint tax liability shall pass to them. The tax debts arisen from such a joint tax liability shall be paid by the heirs jointly and severally to the extent under the

[Civil Code](#). The joint tax liability shall be administered by the tax administrator that was competent to administer the decedent's tax liability on the day preceding the day when the inheritance proceedings ended.

(5) For a tax receivable that arose in consequence of the decedent's tax liability, the term for paying the tax shall not run from the day when the decedent died to the day when the inheritance proceedings ended.

Section 239b

Fulfilment of Tax Liability by the Administrator of the Decedent's Estate

(1) The administrator of the decedent's estate shall fulfil the tax liability of the deceased, in their own name at the expense of the decedent's estate.

(2) If the decedent's tax liability is to be fulfilled by several administrators of the decedent's estate, such administrators shall fulfil it jointly and severally.

(3) The decedent's tax liability shall be administered by the tax administrator that was competent to administer such a liability on the day when the decedent died.

(4) The administrator of the decedent's estate is obliged to file a regular tax statement, within 3 months from the day when the decedent died, for such a part of the period of taxation that passed prior to the day when the deceased died; this term may not be extended.

(5) The administrator of the decedent's estate is obliged to file a regular tax statement, within 30 days from the day when the inheritance proceedings ended, for such a part of the period of taxation that passed until the day preceding the day when the inheritance proceedings ended.

Section 239c

Fulfilment of Tax Liability by the Liquidation Administrator

Where liquidation of the decedent's estate is ordered by a court, the liquidation administrator is obliged to file a regular tax statement, within 15 days from the day when the regular report on the liquidation of property belonging to the liquidation assets or part of such a property was submitted to the court, for such a part of the period of taxation that passed prior to the day when the report was submitted, and is obliged to include the stated tax into such a report.

Section 239d

Passage of Tax Liability to the State

If the inheritance falls to the State, the decedent's tax liability shall be settled by the tax administrator.

Section 240

Passage of Tax Liability of Legal Entities

(1) If a legal entity that has a legal successor was dissolved, its tax liability shall pass to the legal successor; the legal successor shall thereby acquire the position of the tax subject instead of the dissolved legal entity, and the tax administrator shall confirm the position at the request of the legal successor.

(2) For the purposes of tax administration, legal successor shall mean, for

- a) a branch office or other branch of a business enterprise of a foreign party, such a foreign party,
- b) a permanent establishment of a foreign party, such a foreign party,
- c) a remitter's cash office, the tax remitter which established it,
- d) winding-up of a legal entity without liquidation and current non-existence of another legal successor, the establisher or founder of the legal entity.

Section 240a

Passage of Tax Liability in the Winding-up of a Legal Entity without Liquidation

Where a legal entity is wound up without liquidation, the legal successor of such a legal entity is obliged to file a regular tax statement concerning its tax liability, within 30 days from the day when it was dissolved, for such a part of the period of taxation that passed prior to the day when it was dissolved.

Section 240b

Passage of Tax Liability in a Transformation by Split-up

(1) Where a legal entity is transformed by a split-up, and it is not sufficiently clear to what extent the tax liability passes to its legal successors, the legal successorship in respect of tax liabilities shall be determined by the tax administrator; a timely filed appeal against such a decision shall have a suspensive effect.

(2) Each legal successor shall stand security for the fulfilment of the payment obligation that passed to another legal successor in connection with the transformation of the legal entity by split-up.

(3) The tax liability that passed to the legal successor in the transformation of a legal entity by split-up shall be administered by the tax administrator that has been competent so far.

Section 240c

Passage of Tax Liability in the Winding-up of a Legal Entity with Liquidation

(1) Where a legal entity is wound up with liquidation, the obligation to file regular tax statements or additional tax statements shall last until the day when the legal entity is dissolved.

(2) The legal entity is obliged to file a regular tax statement within 30 days from the day when it entered into liquidation, for such a part of the period of taxation that passed prior to the day when it entered into liquidation.

(3) The legal entity is obliged to file a regular tax statement, within 15 days from the day when the petition for the use of the liquidation balance was drawn up, for such a part of the period of taxation that passed prior to the day when the petition was drawn up; this term may not be extended.

(4) If a tax liability arises for the legal entity after the petition for the use of the liquidation balance was drawn up, such a liability shall be deemed to be a tax liability arisen by the day when the petition for the use of the liquidation balance was drawn up, and the legal entity is obliged to file an additional tax statement.

Section 240d

Regular Tax Statement in the Passage of Privatised Property

Where the last part of privatised property of a state enterprise is transferred to a body competent to manage such privatised property, the state enterprise is obliged to file a regular tax statement, within 30 days from the day of such a transfer, for such a part of the period of taxation that passed prior to the day of the transfer; this term may not be extended.

Section 241

Prohibition of a Tax Liability Transfer

Any agreement under which a tax liability is to be borne, fully or partially, by another party instead of the tax subject shall not be effective towards the tax administrator; this shall not apply if another party fulfils the liability which arose to such a party as a result of securing the tax under the law.

Division 2

Relation to Insolvency Proceedings

Heading Omitted

Section 242

Receivables for the Assets, and the Debtor's Property

(1) The tax receivables arisen as a result of the tax liabilities arisen at the time from the effective date of the decision on insolvency to the termination of the insolvency proceedings are the receivables for the assets.

(2) For the needs of insolvency proceedings, a refundable overpayment shall be deemed to be property of the tax subject, and an overpayment arisen on the basis of tax liabilities arisen no later than on the day preceding the effective date of the decision on insolvency shall only be used for the settlement of due tax receivables that are not receivables for the assets, and this shall be done no later than by the review of such receivables.

(3) An overpayment arisen on the basis of tax liabilities arisen at the time from the effective date of the decision on insolvency shall only be used for the settlement of due receivables for the assets.

Section 243

Effects of Insolvency Proceedings on Tax Proceedings

(1) After the initiation of insolvency proceedings, tax proceedings may be initiated and the entire tax proceedings may continue, except for a tax execution, which may be ordered but not carried out, unless stipulated otherwise by the Insolvency Act.

(2) Upon the termination of the review proceedings or upon the approval of the review report by a court, the non-final decision in the finding proceedings concerning the receivables that are not receivables for the assets shall enter into full force and effect.

(3) From the effective date of the decision on insolvency, no interest on arrears shall arise for the tax receivable that is not a receivable for the assets.

(4) The result of denial of a tax receivable in an incidental dispute shall be reflected by the

tax administrator in the tax records.

Section 244

Tax Statement in Insolvency Proceedings

(1) In insolvency proceedings, the tax subject is obliged to file, no later than within 30 days from the effective date of the decision on insolvency, a regular tax statement for such a part of the period of taxation that passed until the day preceding the effective date of the decision and for which no regular tax statement has yet been filed; this term may not be extended. If the insolvency administrator which, upon declaration of bankruptcy, acquired the authority to dispose of the assets discovers an insufficiency of documents and due to such an inefficiency it is not possible to secure the fulfilment of such an obligation and the obligation referred to in [Section 245](#), the obligation shall cease to exist; the insolvency administrator shall notify the tax administrator of such a fact within the same term and shall provide it with necessary assistance to assess the tax in accordance with aids.

(2) The terms within which the tax subject is obliged to file a regular tax statement or additional tax statement in the course of the insolvency proceedings shall continue to apply.

(3) As of the day of submission of the final report, the tax subject is obliged to draw up a regular tax statement for the passed part of the period of taxation for which it has not yet been filed, and to include the stated tax in the concerned document.

(4) The regular tax statement drawn up under [Subsection 3](#) shall be filed by the tax subject within 15 days from the day as of which it was to be drawn up.

(5) If no regular tax statement was filed within the term referred to in [Subsection 1](#), the tax administrator may assess the tax in accordance with aids, without the necessity to issue a call first under [Section 145 Subsection 1](#).

Section 245

Alignment of Terms

Within the same terms as those set out in [Section 239b Subsection 4 and 5](#), [Section 239c](#), [Section 240a](#), [Section 240c Subsection 2 and 3](#), [Section 240d](#) and [Section 244 Subsection 1 and 4](#), the obligation arises to file a regular tax statement or additional tax statement that has not yet been filed for the preceding period of taxation, provided that the original term for filing it has not yet expired. A similar procedure shall be taken for a regular tax statement or additional tax statement for taxes assessed for the period of taxation, as well as for one-time taxes, if it has not yet been filed.

PART FOUR

CONSEQUENCES OF BREACHES OF OBLIGATIONS IN TAX ADMINISTRATION

Section 246

Breach of the Obligation of Confidentiality

(1) A natural person who is bound by the obligation of confidentiality on the conditions stipulated by tax law commits a petty offence if it breaches such an obligation.

(2) A fine up to CZK 500,000 may be imposed for a petty offence.

(3) The administrative authority competent to discuss the offence is the tax administrator that is the closest superior to the tax administrator to whose activity the obligation of confidentiality relates; if the obligation of confidentiality relates to the activity of several tax administrators, the petty offence shall be discussed by the one from the closest superior tax administrators which was first to ascertain suspicion of a breach of the obligation of confidentiality.

Heading Omitted

Section 247

Disciplinary Fine

(1) A disciplinary fine up to CZK 50,000 may be imposed by the tax administrator on anyone who, in proceedings conducted by the tax administrator, seriously hinders tax administration by

- a) disturbing order despite a previous caution,
- b) failing to obey an official person's instruction, or
- c) behaving offensively to an official person or a party involved in tax administration despite a previous caution.

(2) A disciplinary fine up to CZK 500,000 may be imposed by the tax administrator on anyone who seriously hinders or obstructs tax administration by failing to comply within the set term, without a sufficient excuse, with a call to fulfil a procedural obligation of a non-monetary nature that was imposed on them by law or by the tax administrator, unless a different consequence is stipulated by law.

(3) A disciplinary fine referred to in [Subsection 1](#) may also be imposed on anyone who makes a grossly offensive submission.

(4) A disciplinary fine may be imposed no later than within 1 year from the day when the conduct that is the reason for its imposition took place.

(5) A disciplinary fine may also be imposed repeatedly if the fine imposed so far has not led to rectification, and the unlawful situation persists.

Section 247a

Fine for a Failure to Fulfil an Obligation of a Non-monetary Nature

(1) A fine up to CZK 500,000 may be imposed by the tax administrator on anyone who

- a) fails to fulfil the registration, reporting or another notification obligation set out by tax law or by the tax administrator, or
- b) fails to fulfil an obligation to keep records or another registration obligation set out by tax law or by the tax administrator.

(2) The tax subject shall become obliged to pay a fine amounting to CZK 2,000 if they made a submission under [Section 72 Subsection 1](#) otherwise than electronically, although they were obliged to make it electronically.

(3) The decision on the obligation to pay a fine under [Subsection 2](#) shall be issued by the

tax administrator in the form of a payment order and, at the same time, the tax administrator shall prescribe it in the tax records. The fine shall be due within 30 days from the day of notification of the payment order.

(4) In addition to the fine under [Subsection 2](#), the tax administrator shall impose a fine up to CZK 50,000 if the tax subject seriously hinders tax administration by their failure to fulfil the obligation to make the submission electronically.

(5) A fine may be imposed or a decision on the obligation to pay the fine may be issued no later than within 3 years from the day when the obligation was breached.

Section 248

Common Provisions on Proceedings on Fines

(1) When setting out the amount of a disciplinary fine or a fine for failure to fulfil an obligation of a non-monetary nature, the tax administrator shall ensure that the fine is not grossly disproportionate to the significance of the breached obligation and to the seriousness of the consequence for tax administration.

(2) A disciplinary fine and a fine for a failure to fulfil an obligation of a non-monetary nature shall be due within 15 days from the day when the decision on its imposition enters into full force and effect.

(3) The tax administrator which imposed the disciplinary fine or the fine for a failure to fulfil an obligation of a non-monetary nature or which decided on the obligation to pay such a fine shall also administer its payment, and the fine is income of the public budget that is used to finance the tax administrator's activity.

Section 249

Simplified Proceedings on the Imposition of Fine

(1) If a disciplinary fine or a fine for a failure to fulfil an obligation of a non-monetary nature does not exceed CZK 5,000 and if the one on whom the fine is imposed recognises the reasons and amount of the imposed fine and pays the fine on the spot, the tax administrator shall state the amount and reasons for the fine in the transcript drawn up about the conduct during which the reasons for imposing the disciplinary fine occurred or during which the reasons for imposing the fine for a failure to fulfil an obligation of a non-monetary nature were ascertained. No appeal against such a decision may be filed.

(2) A disciplinary fine or a fine for a failure to fulfil an obligation of a non-monetary nature imposed under [Subsection 1](#) shall become due when the decision is recorded in the transcript. A confirmation of the payment of the fine shall contain a reference to the reference number of the transcript. The person on whom the fine was imposed in this way shall receive a copy of the transcript even without a request.

(3) Confirmations of payment of a disciplinary fine or a fine for a failure to fulfil an obligation of a non-monetary nature shall be issued by the Ministry of Finance.

Section 250

Fine for a Late Tax Statement

(1) If the tax subject fails to file a tax return or additional tax return, although they were obliged to do so, or if they do so after the set term, and such a delay is longer than 5 working days, the tax subject shall become obliged to pay a fine in the amount of

- a) 0.05% of the assessed tax for each following day of delay but no more than 5% of the assessed tax,
- b) 0.05% of the determined tax deduction for each following day of delay but no more than 5% of the determined tax deduction, or
- c) 0.01% of the determined tax loss for each following day of delay but no more than 5% of the determined tax loss,

(2) If the tax remitter fails to file a report, summary, subsequent report or additional summary, although they were obliged to do so, or if they do so after the set term, and such a delay is longer than 5 working days, the tax remitter shall become obliged to pay a fine amounting to 0.05% of the total sum of the tax they were obliged to state in the report or summary for each following day of delay, but no more than 0.5% of the total sum of the tax they were obliged to state in the report or summary.

(3) A fine for a late tax statement arisen due to the late submission of a regular tax statement or additional tax statement shall not be prescribed and the tax subject shall not become obliged to pay it if the amount of such a fine calculated under [Subsection 1](#) or [2](#) is lower than CZK 200.

(4) If the tax subject fails to file a regular tax statement or additional tax statement, although they were obliged to do so, and if they fail to do so even subsequently during the term for which the opportunity to file such statements lasts, the set upper limit shall be used for the calculation of the sum under [Subsection 1 or 2](#); in such a case, the amount of the fine for a late tax statement shall always be no less than CZK 500.

(5) The maximum amount of the sum calculated under [Subsection 1 or 2](#) must not be higher than CZK 300,000.

(6) The decision on the obligation to pay a fine shall be issued by the tax administrator in the form of a payment order and, at the same time, the tax administrator shall prescribe the fine in the tax records. The fine shall be due within 30 days from the day of notification of the payment order.

(7) The amount of the fine for a late tax statement shall be reduced to one half if

- a) the tax subject files a regular tax statement or additional tax statement within 30 days from the expiry of the term for its filing without such a statement being filed, and
- b) at the time of the issue of the payment order, the tax administrator did not find any other delay in filing a regular tax statement or additional tax statement of the tax subject in the given calendar year.

Section 251

Penalty

(1) The tax subject shall become obliged to pay a penalty calculated from the sum in which the additionally assessed tax differs from the last known tax, and such a penalty shall amount to

- a) 20% if the tax is increased,
- b) 20% if the tax deduction is reduced, or

c) 1% if the tax loss is reduced.

(2) The tax administrator shall reduce the penalty referred to in [Subsection 1 Paragraph a\)](#) by the penalty referred to in [Subsection 1 Paragraph c\)](#) if the obligation to pay the penalty arose due to the deduction of the loss to the extent of the tax loss reduction that was penalised.

(3) The decision on the obligation to pay a penalty shall be issued by the tax administrator in the form of a payment order and, at the same time, the tax administrator shall prescribe the penalty in the tax records. The penalty shall be due within 30 days from the day of notification of the payment order but no earlier than on the same day as the assessed tax based on which the penalty shall be calculated.

(4) If the tax is additionally assessed on the basis of an additional tax return or additional summary, the obligation to pay the penalty from the sum stated therein shall not arise.

Interest on Arrears

Section 252

(1) A tax subject is in arrears if they fail to pay a due tax on its due date at the latest.

(2) The tax subject shall become obliged to pay interest on arrears for each day of delay starting from the fifth working day following the due date until and including the day of payment. The amount of the interest on arrears shall correspond, per annum, to the amount of the repo rate set out by the Czech National Bank, increased by 14 percentage points, and effective for the first day of the concerned calendar half-year. If an additional due date is set out for the tax, the interest on arrears shall begin to accrue on the fifth working day following the original due date.

(3) The interest on arrears shall be due on the day when the statutory conditions for its arising are fulfilled, and shall be prescribed on the personal tax account no later than by the tenth day after the end of the month following the month in which its due date expired. The interest on arrears shall be prescribed on the personal tax account before such a day in particular if the arrears on which the interest on arrears arises are being exacted, or if such interest has been settled, or in order to ascertain if an overpayment is refundable.

(4) The interest on arrears of advances shall accrue until the due date of the tax that is paid in advances.

(5) If an unclear payment is, after clarification, recorded on the personal tax account with effect as of the day on which the payment was made, the tax administrator shall, as of the day of recording, clear such effects on the interest on arrears on the personal tax account where such a payment is recorded.

(6) The tax administrator may notify the tax subject of the prescription of the interest on arrears by means of a payment order at any time if this is required by the situation of the personal tax account of the tax subject.

Section 253

(1) The interest on arrears shall not be prescribed, and the tax subject shall not become obliged to pay it if the total interest on arrears accrued for one kind of tax at one tax administrator for one period of taxation, or for one calendar year where one-time taxes are concerned, does not exceed CZK 200.

(2) From the day when the decedent died to the day when the inheritance proceedings ended, no interest on arrears shall arise for the arrears arisen due to a breach of the decedent's

tax liability.

(3) No interest on arrears shall arise in respect of arrears of tax attribution and arrears of monetary performance paid under divided administration.

Section 254

Interest on the Wrongful Conduct of the Tax Administrator

(1) Where a tax assessment decision is reversed, changed or declared null due to the unlawfulness or incorrectness of the official procedure of the tax administrator, the tax subject shall be entitled to the interest on the sum that was paid by the tax subject under or in connection with such a decision, and such interest shall correspond, per annum, to the amount of the repo rate set out by the Czech National Bank, increased by 14 percentage points, and effective for the first day of the concerned calendar half-year, from the day following the due date of the incorrectly assessed tax, or if the incorrectly assessed tax was paid later, from the day of its payment. Such interest shall not arise for a monetary performance under divided administration.

(2) Where anything was exacted from the tax subject wrongfully, the tax subject shall be entitled to twice the interest referred to in [Subsection 1](#) for the time of the wrongfully conducted execution proceedings; no entitlement to such interest shall arise if the unlawfulness of the execution is caused by a later pronouncement of the ineffectiveness of the service of the decision or by restoration of the term.

(3) The interest granted under this provision shall be prescribed by the tax administrator on the personal tax account within 15 days from the effective date of the decision which reversed, changed or declared null the tax assessment decision, or from the day of declaration of the unlawful exaction.

(4) If a refundable overpayment results from the reversal, change or declaration of nullity of the tax assessment decision as well as from unlawful exaction, the tax administrator shall return it, without a request, within the term referred to in [Subsection 3](#).

(5) The tax subject may file an objection under [Section 159](#) against the tax administrator's procedure under [Subsection 1 through 4](#); an appeal may be filed against the decision on such an objection.

(6) The interest granted under this provision shall be credited towards the granted compensation for damage or granted compensation for non-material damage caused to the tax subject by the unlawful decision or incorrect official procedure of the tax administrator.

PART FIVE

COMMON, AUTHORISATION, TRANSITIONAL AND FINAL PROVISIONS

Section 254a

Interest on Tax Deduction

(1) The tax subject shall be entitled to interest on the tax deduction determined by the tax administrator from the day following the expiry of the period of 4 months from the last day of the term set out for filing a regular tax statement or additional tax statement from which it follows that a tax deduction is to arise for the tax subject, or from the day when such a statement was filed if it was filed after the term set out for its filing, to the day when the tax deduction was refunded or used for the settlement of arrears, but no later than until the expiry of the term for its refund.

(2) The period under [Subsection 1](#) shall stop, and the interest on the tax deduction shall not accrue from the day of issue of

a) a call to remove defects of a submission made in finding proceedings concerning the tax deduction, to the day when such defects are removed or when the term set out in the call expires without the defects being removed,

b) a call to allow initiation of a tax inspection, to the day when the tax inspection is initiated,

c) a decision by which the tax administrator sets out a term within which the tax subject may comment on the result of the inspection findings and propose their supplementation, to the day when the tax subject provided the required comment or when the term set out for commenting expired without the comment being provided.

(3) The interest on tax deduction shall correspond, per annum, to the amount of the repo rate set out by the Czech National Bank, increased by 2 percentage points, and effective for the first day of the concerned calendar half-year.

(4) The tax administrator shall prescribe the interest on tax deduction on the personal tax account within 15 days from the day of notification of the decision determining the tax deduction. If a refundable overpayment arises thereby, the tax administrator shall refund it simultaneously with the refund of the tax deduction.

(5) The tax subject may file an objection under [Section 159](#) against the tax administrator's procedure under [Subsection 1 through 4](#); an appeal may be filed against the decision on such an objection.

(6) The interest granted under this provision shall be credited towards the granted compensation for damage or granted compensation for non-material damage caused to the tax subject by the unlawful decision or incorrect official procedure of the tax administrator.

Heading Omitted

Section 255

Special Provision on the Protection of Confidentiality Imposed on Advisers

(1) The premises where documents containing facts that are subject to the obligation of confidentiality of an adviser under another legal regulation may be located may be entered by the tax administrator only in the presence of the adviser who is bound by the obligation of confidentiality.

(2) The tax administrator may familiarise themselves with the contents of documents concerning which an attorney declares that they contain facts that are subject to the obligation of confidentiality of the attorney under another legal regulation, only in the presence and with the consent of a representative of the Czech Bar Association who shall be appointed, at the tax administrator's request, by the President of the Czech Bar Association from among its employees or from among attorneys; the statement of the representative of the Czech Bar Association shall be stated in the transcript. The first sentence shall apply to tax advisers accordingly.

(3) If the representative of the competent association refuses to grant consent under [Subsection 2](#), the documents must be secured in the presence of the tax administrator, adviser and representative of the competent association so that nobody can either familiarise themselves with their contents or destroy or damage them so that the objective of the tax administration could be frustrated; immediately after that, the concerned documents or other information carriers must be handed over to the competent association. The association shall return the documents or

other information carriers to the adviser without undue delay after the term for filing a petition under [Subsection 4](#) expires; if the petition is filed in time, the competent association shall handle them in accordance with the court decision under [Subsection 4](#).

(4) In the event referred to in [Subsection 3](#), the consent of the representative of the competent association may be substituted, on the petition of the tax administrator, by a court decision under another legal regulation²⁸⁾.

Section 256

Measures in International Taxation

The Ministry of Finance may in external relations take measures to secure reciprocity or retaliation measures for the purpose of the mutual equalization of taxation.

Transfer of Tax Yield

Section 257

(1) If the tax administrator administers taxes, the yield of which belongs to a public budget other than where the accounts it administers belong, it shall transfer the tax yield in accordance with the budgetary determination and within the terms set out by law²⁹⁾.

(2) If the tax subject is also the recipient of the whole yield of the tax they are obliged to pay, the tax administrator shall decide to waive the payment of such a tax. The decision shall be marked on the personal tax account of the tax subject.

(3) An objection may be filed under [Section 159](#) against the decision of the tax administrator in the matter of a transfer of a tax yield, by the yield recipient likewise the tax subject. If an objection is not fully granted, an appeal against such decision may be filed within 15 days from the day of its service; a timely filed appeal shall have a suspensive effect.

(4) The tax administrator which transfers the yield of some tax in accordance with its budgetary determination shall provide the yield recipient only with information about the total yield of such a tax, about the total amount of arrears, including the aggregate amount of taxes the payment of which is deferred, about the actual amount of transferred amounts of such a tax, and about the day when the transfer took place.

(5) The provisions on tax records shall apply accordingly to the accounts of recipients of tax yields that are transferred in accordance with the budgetary determination.

Section 258

(1) If in respect of the yields transferred to another budget, a tax subject becomes entitled to the refund of an overpayment, the tax administrator shall refund the overpayment from the funds not yet transferred to the recipient of such a yield. If there are no such funds, the overpayment shall be paid out by the yield recipient. The terms set out in [Section 154](#) and [155](#) shall apply to the refund or transfer of the overpayment to settle other arrears; the yield recipient must be notified of the decision on the refund or transfer of the overpayment to make such a settlement so that no less than 10 days remain until the expiry of the whole term.

(2) If the overpayment is refunded after the term set out in [Section 155 Subsection 3](#) and [5](#), the tax subject shall be entitled to the interest on the refundable overpayment; such an entitlement shall be granted and paid by the yield recipient. If the refund is delayed due to the failure to meet the term set out in [Subsection 1](#) for notification of the decision to return the overpayment, the tax administrator shall grant and pay the yield recipient the proportionate part for the proved delay.

(3) If there were several recipients of yields from which the overpayment is to be refunded or transferred to settle the arrears of another tax, the tax administrator shall refund or transfer the overpayment from the funds of any such recipients and shall carry out their mutual settlement afterwards.

Heading Omitted

Section 259

Proceedings for Waiving Tax or Tax Attribution

(1) If the law grants a public authority the power to waive tax or tax attribution fully or partially, it may be waived at the request of the tax subject or in official capacity.

(2) A tax or tax attribution may be waived from the time when the tax liability arose to the time when the term for paying the tax expired, and even after the tax was paid.

(3) If a request for waiving the tax or tax attribution was dismissed, a new request may be filed no earlier than after 60 days from the day of notification of the negative decision. In such a new request, the tax subject is obliged to state reasons other than those contained in the original request, otherwise the new request shall be shelved. The applicant must be notified of the shelving.

(4) No legal remedies may be filed against the decision in the matter of a waiver of a tax or tax attribution.

Section 259a

Waiver of Penalty

(1) The tax subject may request the tax administrator to waive a part of the penalty if the tax the additional assessment of which gave rise to the obligation to pay the penalty has been paid.

(2) Based on the assessment of the extent of cooperation by the tax subject in the procedure leading to additional tax assessment, the tax administrator may waive up to 75% of the penalty in an official capacity. When doing so, the tax administrator is not bound by a petition of the tax subject.

(3) A request to waive a penalty may be filed no later than within 3 months from the day when the payment order deciding on the obligation to pay the penalty entered into full force and effect.

(4) The term for filing the request under [Subsection 3](#) shall not run for the duration of

a) the proceedings for permitting the deferral of the payment of the tax the additional assessment of which gave rise to the obligation to pay the penalty,

b) the permitted deferral of the payment of the tax the additional assessment of which gave rise to the obligation to pay the penalty.

Section 259b

Waiver of Interest on Arrears and Interest on a Deferred Sum

(1) The tax subject may request the tax administrator to waive interest on arrears or

interest on a deferred sum if the tax the non-payment of which gave rise to the interest has been paid.

(2) The tax administrator may waive the interest on arrears or interest on the deferred sum fully or partially if the payment of the tax was delayed for a reason that may be justified when taking account of the circumstances of the given case. When doing so, the tax administrator is not bound by a petition of the tax subject.

(3) When assessing the extent to which the interest will be waived, the tax administrator shall take account of the fact whether the economic or social situation of the tax subject justifies the severity of the applied interest.

Section 259c

Common Provisions on Waiving a Tax or Tax Attribution

(1) When assessing the request to waive a tax or tax attribution, the tax administrator shall take account of the frequency of breaching obligations in tax administration by the tax subject.

(2) Waiver of a tax or tax attribution is not possible if the tax subject or a person who is a member of its statutory body seriously breached tax or accounting legal regulations within the last 3 years.

(3) If a legal entity seriously breaches tax or accounting legal regulations, then for the purposes of assessment of the fulfilment of the condition referred to in [Subsection 2](#) a person who was a member of the statutory body of such a legal entity at the time of such a breach shall be deemed to have breached them as well.

Section 260

Mass Waiver of a Tax or Tax Attribution

(1) As far as the taxes administered by the administrative authorities managed by the Minister of Finance are concerned, the Minister of Finance may, in an official capacity, fully or partially waive a tax or tax attribution

- a) on the grounds of discrepancies arising from the application of tax law, or
- b) in extraordinary events, in particular natural disasters.

(2) The decision under [Subsection 1](#) shall waive a tax or tax attribution in respect of all the tax subjects to which the grounds of the waiver relate.

(3) The decision shall be notified by publication in the Financial Bulletin.

Section 261

Complaint

(1) A party involved in tax administration has the right to file a complaint with the tax administrator about the improper conduct of its official persons or about the procedure of such a tax administrator, unless the tax law provides another means of protection.

(2) Filing a complaint must not be to the detriment of the complainant; liability for a criminal offence or administrative infringement is not affected by this provision.

(3) The tax administrator shall investigate the facts stated in the complaint. If it deems it appropriate, it shall hear the complainant, the persons about whom the complaint was filed and, where appropriate, other persons whose testimony may contribute to the clarification of the matter.

(4) The complaint must be handled within 60 days from the day of its service on the tax administrator competent to handle it. The set term may only be exceeded if it is not possible, in the course of the term, to obtain documents necessary for handling the complaint.

(5) If the complaint was found justified or partially justified, the tax administrator shall take necessary remedial measures without undue delay. The result of the investigation and the taken remedial measures shall be recorded in an official record, and the tax administrator shall inform the complainant about the result without undue delay.

(6) If the complainant believes that their complaint was not handled properly, they may request the closest superior tax administrator to investigate the manner how the complaint was handled. When investigating the manner of handling the complaint, the tax administrator shall take the procedure under [Subsection 3 through 5](#).

Section 262

Relation to Administrative Procedure Code

The Administrative Procedure Code shall not apply to tax administration.

Section 263

Authorisation Provisions

The Ministry of Finance shall issue a Regulation to implement [Section 107 Subsection 8](#), [Section 163 Subsection 4](#) and [Section 194 Subsection 6](#).

Section 264

Transitional Provisions

(1) The proceedings or procedures initiated under current legal regulations shall be completed and the rights and obligations arising from them shall be assessed, from the effective date of this Act, under the provisions of this Act that regulate proceedings or procedures closest to them in their nature and purpose.

(2) The legal acts, in particular the decisions issued by the tax administrator, and their effects in tax administration that occurred by the effective date of this Act shall continue to apply; this shall also apply to the powers of attorney exercised prior to the effective date of this Act, and their effects shall be assessed under this Act. In case of doubts about the extent of a formerly granted power of attorney, the tax administrator shall call on the principal to submit a new power of attorney; until the time when a new power of attorney is submitted or when the term set out in the call expires without a new power of attorney being submitted, such granted powers of attorney shall be assessed under the current legal regulations.

(3) For the assessment of the course and length of a term which began under the current legal regulations, the procedure under the provisions of this Act that regulate a term which is closest to such a term in its nature and purpose shall be used from the effective date of this Act; such a term shall not end earlier than on the day on which it would end under the current legal regulations.

(4) The course and length of the term for assessment, which began under the current legal regulations and did not end by the effective date of this Act shall be assessed, from the effective date of this Act, under the provisions of this Act that regulate the term for tax assessment; the moment when such a term begins as set out under the current legal regulations shall remain unchanged. The effects of legal facts that influence the course of such a term and that occurred prior to the effective date of this Act shall be assessed under the current legal regulations. The legal facts newly constituting the stoppage of the term for tax assessment under this Act, which began prior to the effective date of this Act shall stop the term no earlier than on the effective date of this Act.

(5) The course and length of the term for the limitation of the right to collect and exact tax arrears, which began under the current legal regulations and did not end by the effective date of this Act shall be assessed, from the effective date of this Act, under the provisions of this Act that regulate the term for paying the tax; the moment when such a term begins as set out under the current legal regulations shall remain unchanged. The effects of legal facts that influence the course of such a term and that occurred prior to the effective date of this Act shall be assessed under the current legal regulations. The legal facts newly constituting the stoppage of the term for paying the tax under this Act, which began prior to the effective date of this Act shall stop the term no earlier than on the effective date of this Act.

(6) Requests to waive a tax or tax attribution, requests to waive tax arrears, requests to defer a tax or pay a tax in instalments that were filed under the current legal regulations and have not been settled by the effective date of this Act shall be assessed under the conditions stated in the current legal regulations.

(7) The proceedings for division that have not been completed by the effective date of this Act shall be completed under the current legal regulations. The creditors' applications for registration in a tax execution which have been submitted by the effective date of this Act and in respect of which no proceedings for division have been initiated by the effective date of this Act and which do not meet the conditions for registration under this Act shall be assessed under the current legal regulations; the proceedings for division concerning such applications shall be conducted, on a petition of the tax administrator, by a court accordingly under [Section 232](#) of this Act.

(8) In tax proceedings initiated by the effective date of this Act, files shall be kept and inspected in accordance with a procedure under the current legal regulations.

(9) The invalidity of a decision issued by the effective date of this Act may be certified under the current legal regulations only if the conditions for the decision nullity under this Act are also met.

(10) If the term set out for refunding a refundable overpayment has begun by the effective date of this Act, the overpayment shall be refunded in accordance with the procedure under the current legal regulations.

(11) If an obligation of confidentiality has been breached by the effective date of this Act or if an obligation of a non-monetary nature has not been fulfilled by the effective date of this Act, the fine shall be imposed in accordance with the procedure under the current legal regulations.

(12) If the term for filing a tax return or report or additional tax return or report has expired by the effective date of this Act, the tax increase shall take place under the current legal regulations.

(13) If the term for filing a regular tax statement has expired by the effective date of this Act, the penalty shall be imposed under the current legal regulations.

(14) As for the taxes which have originally become due by the effective date of this Act,

the interest on arrears shall accrue under the current legal regulations.

(15) Liens the scope of which was defined prior to the effective date of this Act shall remain in existence with all the effects under the current legal regulations even after the effective date of this Act.

(16) Arrears recorded under the current legal regulations in respect of tax subjects that have been dissolved without a legal successor or died without an heir by the effective date of this Act, where it is not possible to demand settlement of such arrears from a guarantor, shall cease to exist on the effective date of this Act, and the records of them shall not be kept any longer.

(17) Duty stamps issued prior to the effective date of this Act under the authorisation in Act No. [337/1992 Coll.](#), on the administration of taxes and charges, as amended, shall remain valid even after the effective date of this Act.

Section 265

Repealing Provisions

The following shall be repealed:

1. Act No. [337/1992 Coll.](#), on the administration of taxes and charges.
2. Act No. [255/1994 Coll.](#), altering and amending Act No. [337/1992 Coll.](#), on the administration of taxes and charges, as amended.
3. Act No. [323/1996 Coll.](#), altering and amending Act No. [337/1992 Coll.](#), on the administration of taxes and charges, as amended.
4. Regulation No. [299/1993 Coll.](#), authorising local financial authorities to waive tax attribution.
5. Regulation No. [209/2003 Coll.](#), amending Regulation No. [299/1993 Coll.](#), authorising local financial authorities to waive tax attribution.
6. Regulation No. [25/1994 Coll.](#), on the form of keeping tax records and on the transfer of taxes to their recipients.
7. Regulation No. [95/2001 Coll.](#), amending Regulation No. [299/1993 Coll.](#), on the form of keeping tax records and on the transfer of taxes to their recipients.

PART SIX

ENTRY INTO EFFECT

Section 266

This Act comes into effect on 1 January 2011.

p.p. Němcová, signed in her own hand

Klaus, signed in his own hand

Fischer, signed in his own hand

Selected Provisions of Amendments

Article IV of Act No. [458/2011 Coll.](#)

Transitional Provisions

1. Repealed

2. If the term for filing a regular tax statement or additional tax statement expired prior to the effective date of this Act, the fine for a late tax statement shall be imposed under the current legal regulations.

Article XXII of Legal Measure No. [344/2013 Coll.](#)

Transitional Provisions

1. Proceedings or other procedures in tax administration that were initiated prior to the effective date of this Legal Measure of the Senate shall be completed under Act No. 280/2009 Coll., Tax Regulations, as amended prior to the effective date of this Legal Measure of the Senate.

2. The tax administrator shall establish, in an official capacity, a tax information box for a tax subject that has, as of the effective date of this Legal Measure of the Senate, access to a data box, and shall do so no later than within 3 months from the effective date of this Legal Measure of the Senate.

3. If a decedent dies prior to the effective date of this Legal Measure of the Senate, the passage of their legal liability shall be governed by the provisions of [Section 239](#) and [Section 245 of Act No. 280/2009 Coll.](#), Tax Regulations, as amended prior to the effective date of this Legal Measure of the Senate.

4. If a legal entity is dissolved prior to the effective date of this Legal Measure of the Senate, the passage of its legal liability shall be governed by the provisions of [Section 240](#) and [Section 245 of Act No. 280/2009 Coll.](#), Tax Regulations, as amended prior to the effective date of this Legal Measure of the Senate.

5. Unless stipulated otherwise, the facts, situations, relations, subjects, objects, rights and obligations of private law under the legal regulations effective prior to the effective date of this Legal Measure of the Senate shall be governed, from the effective date of this Legal Measure of the Senate, by the same provisions of Act No. 280/2009 Coll., as amended from the effective date of this Legal Measure of the Senate, as the facts, situations, relations, subjects, objects, rights and obligations of private law under the legal regulations effective from the effective date of this Legal Measure of the Senate, which are closest to them in their nature and purpose.

Article VII of Act No. [267/2014 Coll.](#)

Transitional Provisions

1. Proceedings or other procedures in tax administration that were initiated prior to the effective date of this Act shall be completed under Act No. 280/2009 Coll., as amended prior to the effective date of this Act.

2. If an obligation of a non-monetary nature was not fulfilled prior to the effective date of this Act, the fine shall be imposed in accordance with the procedure under Act No. 280/2009 Coll., as amended prior to the effective date of this Act.

3. A request to waive a penalty may only be filed in respect of a penalty arisen from the effective date of this Act.

4. A request to waive interest on arrears or interest on a deferred sum may only be filed in respect of interest arisen from the effective date of this Act.

5. A prescription of interest on a deferred sum where such interest arose prior to the effective date of this Act may be waived under the current legal regulations.

6. If a procedure to remove doubts was initiated prior to the effective date of this Act, such a procedure shall be deemed, for the purposes of [Section 254a of Act No. 280/2009 Coll.](#), initiated on the effective date of this Act.

Article XI of Act No. [170/2017 Coll.](#)

Transitional Provisions

1. Proceedings or other procedures in tax administration that were initiated prior to the effective date of this Act shall be completed under Act No. 280/2009 Coll., as amended prior to the effective date of this Act.

2. The course of a term for paying a tax which began under the current legal regulations and has not expired by the effective date of this Act shall be assessed, from the effective date of this Act, under Act No. 280/2009 Coll., as amended from the effective date of this Act.

3. As for a tax deduction applied in a regular tax statement or additional tax statement where the term for its filing expired prior to the effective date of this Act, the interest on tax deduction shall be applied under [Section 254a of Act No. 280/2009 Coll.](#), as amended prior to the effective date of this Act.

[Article II of Act No. 94/2018 Coll.](#)

Transitional Provision

The obligation of an attorney, notary, tax advisor, court executor and auditor to provide the tax administrator with information and documents under Section 57a of Act No. 280/2009 Coll., as amended as of the effective date of this Act, shall only apply to the information and documents obtained by the attorney, notary, tax advisor, court executor or auditor from the effective date of this Act.

1) [Section 19](#) and [20 of the Civil Procedure Code](#).

2) For example, Act No. [273/2008 Coll.](#), on the Police of the Czech Republic, as amended by Act No. [41/2009 Coll.](#), and Act No. [185/2004 Coll.](#), on the Customs Administration of the Czech Republic, as amended.

3) For example, Section 7 of Act No. 219/2000 Coll., on the property of the Czech Republic and its representation in the legal relationships.

5) Act No. [300/2008 Coll.](#), on electronic acts and authorised document conversion.

6) Act No. [29/2000 Coll.](#), on postal services and on the amendment of certain Acts (Act on postal services), as amended.

7) [Section 8 of the Criminal Procedure Code](#).

9) For example, Act No. [552/1991 Coll.](#), on state control, as amended, and Act No. [320/2001 Coll.](#), on financial control in public administration and on the amendment of certain Acts (Act on financial control), as amended.

- 10) [Article 37 Paragraph 4 of the Charter of Fundamental Rights and Freedoms](#).
- 11) Act No. [273/2001 Coll.](#), on the rights of members of national minorities and on the amendment of certain Acts, as amended by Act No. [320/2002 Coll.](#)
- 12) Act No. [155/1998 Coll.](#), on sign language and on the amendment of other Acts.
- 13) Section 2 of Act No. 412/2005 Coll., on the protection of classified information and security clearance.
- 14) For example, [Section 7 Subsection 1 Paragraph f\) of Act No. 3/2002 Coll.](#), on the freedom of religion and the position of churches and religious societies and on the amendment of certain Acts (Act on churches and religious societies).
- 15) Government Decree No. [142/1994 Coll.](#), setting out the amount of interest on arrears and late charges under the [Civil Code](#), as amended by Government Decree No. [163/2005 Coll.](#)
- 16) For example, [Section 56 Subsection 5 of the Commercial Code](#), [Section 8 Subsection 1 Paragraph a\) of Act No. 357/1992 Coll.](#), on inheritance tax, gift tax and real estate transfer tax, as amended by Act No. [322/1993 Coll.](#)
- 17) Act No. [119/2001 Coll.](#), setting out the rules for the cases of the parallel enforcements of decisions.
- 18) For example, Act No. [119/2002 Coll.](#), on firearms and ammunition and on the amendment of Act No. [156/2000 Coll.](#), on the verification of firearms, ammunition and pyrotechnics and on the amendment of Act No. [288/1995 Coll.](#), on firearms and ammunition (Firearms Act), as amended by Act No. [13/1998 Coll.](#), and by Act No. [368/1992 Coll.](#), on administrative charges, as amended, and by Act No. [455/1991 Coll.](#), on entrepreneurial activities under a trade licence (Trades Licensing Act), as amended, (Firearms Act), as amended.
- 19) Section 92 and 93 of Act No. 256/2004 Coll., on entrepreneurial activities in capital markets, as amended.
- 20) Act No. [20/1987 Coll.](#), on national monuments protection, as amended.
- 21) Act No. [122/2000 Coll.](#), on the protection of museum-type collections and on the amendment of certain other Acts, as amended.
- 22) Act No. [71/1994 Coll.](#), on the sale and export of objects of cultural value, as amended.
- 23) [Section 336a Subsection 2 of the Civil Procedure Code](#).
- 28) [Section 200j through 200m of the Civil Procedure Code](#).
- 29) Section 6 of Act No. 243/2000 Coll., on the budgetary determination of yields of certain taxes for local government units and certain state funds (Act on the budgetary determination of taxes), as amended.
- 30) The obligation of an attorney, notary, tax advisor, court executor and auditor to provide the tax administrator with information and documents under Section 57a of Act No. 280/2009 Coll., as amended as of the effective date of this Act, shall only apply to the information and documents obtained by the attorney, notary, tax advisor, court executor or auditor from the effective date of this Act.