



Czech Republic

Tax rates in the Czech Republic will change on January 1, 2024. The main tax rate remains at 21%. The second reduced tax rate of 10% will be abolished, and the first reduced tax rate of 15% will be replaced by a single reduced tax rate of 12%.

VAT Standard rate

The standard VAT rate in the Czech Republic in 2024 is 21%.

VAT Reduced rate

12%

- Foodstuffs (excluding essential child nutrition and gluten-free food);
- Non-alcoholic beverages;
- Food service;
- Drinking water;
- Medical devices;
- Newspapers and periodicals;
- Children's car seats;
- Some domestic passenger transport;
- Admission to cultural events, shows, and amusement parks;
- Social housing;
- Some agricultural supplies;
- Hotel accommodation;
- Admission to sporting events;
- Use of sports facilities;
- Social welfare;
- Funeral and related services;
- Medical and dental care.

See the summary of the [EU VAT rates](#)

Thresholds

From the 1st of July 2021, the distance selling thresholds were withdrawn and replaced by a unified threshold of €10,000 for all EU members.

In other words, VAT should be charged at the VAT rate of the customer's country of residence by companies whose annual taxable cross-border turnover is over €10,000.

Deductible VAT

If goods or services were used to make taxable supplies in Czech, VAT in input invoices might be credited. Examples include:

- VAT paid at custom clearance with your EORI number;
- VAT paid to Czech suppliers.

Registration procedure

The taxable person that does not have a registered office in this country and fulfills conditions for compulsory registration is obliged to submit an application for registration within 15 days from the day when this person became a payer or an identified person.

The day when this taxable person becomes a payer is usually the day:

- When the first taxable transaction with the place of supply in this country takes place, this includes also transactions under the distance sale scheme;
- The day of the first delivery of goods from this country to another Member State.

The day when this taxable person becomes an identified person is the first day of the intra-community acquisition of goods from another EU Member State.

All applications for VAT registration (compulsory or voluntary) or a notification of changes to the registration data must be submitted only electronically.

Compulsory annexes for non-established taxable persons are:

- VAT (or similar tax) registration certificate from another country;
- Trade license/certificate or other authorization to business activity;
- Business register statement;
- If the company is appointing a local tax agent or Fiscal Representative, then a Letter of Authority or Power of Attorney is.

All these annexes must be officially verified copies of original documents translated into the Czech language.

Tax representative

There is no need for non-EU businesses to appoint fiscal representatives in order to handle all formalities related to VAT registration and filling.

Keeping records

Payers or identified persons are obliged to keep all data relating to their tax liabilities in records for VAT purposes and must do so in the structure required for drawing up a tax return, recapitulative statement, or control statement.

VAT payment date

The tax is due on the last day of the deadline set out for the submission of a regular VAT return.

Filing VAT returns

Deadline: no later than the 25th day after the end of the tax period, which is:

Calendar month – basic tax period;

Calendar quarter – only a VAT payer (not an identified person) can decide that his.

The tax period for the current calendar year is a calendar quarter on specific legal conditions. The change of tax period cannot be made for the calendar year in which the VAT payer was registered or for the immediately following calendar year.