

is a part of an income tax return by individuals in the taxable period 2011 - 25 5405 MFin 5405 model no. 18 (hereinafter "tax return")

Personal  
identification  
number

/

### 1. Calculation of a partial tax base from income from business activity and other independent gainful activity (§ 7 of the Act)

Income from sources in the Czech Republic and income from sources in abroad.

I use a tax evidence system <sup>1)</sup>		I keep accountancy <sup>1)</sup>		I claim a percentage of my income as deductible expenses <sup>1)</sup>	
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	Taxpayer	Tax office
101 Income pursuant to § 7 of the Act		
102 Expenses related to income pursuant to § 7 of the Act		
103 (Not filled)		
104 Difference between income and expenses (row 101 – row 102) or the trading result (profit, loss)		
105 Total of amounts pursuant to § 5, § 23 and other alterations according to the Act increasing – give the total of amounts increasing the trading result or the difference between income and expenses. Use the amounts from Part E on page 2.		
106 Total of amounts pursuant to § 5, § 23 and other alterations according to the Act reducing – give the total of amounts reducing the trading result or the difference between income and expenses. Use the amounts from Part E on page 2.		
107 Part of income or trading result before tax (profit) that you allocate to the co-operating person (persons) pursuant to § 13 of the Act		
108 Part of expenses or trading result before tax (loss) that you allocate to the co-operating person (persons) pursuant to § 13 of the Act		
109 Part of income or trading result before tax (profit) which was allocated to you as to co-operating person pursuant to § 13 of the Act		
110 Part of expenses or of trading result before tax (loss) which was allocated to you as to co-operating person pursuant to § 13 of the Act		
111 (Not filled)		
112 Your share (proportion) as a partner of the general partnership or as a general partner of the limited partnership. If company incur loss, put a minus sign with your share.		
113 The partial tax base (loss) from income pursuant to § 7 of the Act (row 104 + row 105 – row 106 – row 107 + row 108 + row 109 – row 110 – row 111 + row 112)		

### A. Information about turnover and depreciation

Annual net turnover

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Claimed total depreciation

Out of that depreciation of real estate

**B. Type of business<sup>2)</sup>**

Name of main (prevailing) activity

Rate of expenses by  
% of income

Income

Expenses

Code of classification CZ-NACE

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Name of other activities

Total				

**C. Information about business activity and other independent gainful activity**

Date of the commencement (resumption) of such activity	Date of the cease of the activity	Date of the termination of the activity	Date of renewal of the activity	Number of months of the activity

**D. Table for taxpayers who use tax evidence system pursuant to § 7b of the Act**

Fill in only if you use tax evidence system pursuant to § 7b of the Act. Give information in whole Czech crowns.

	At the commencement of the taxable period	At the end of the taxable period
1. Fixed asset		
2. Money in cash*)		
3. Money on the bank account*)		
4. Stocks (inventory)		
5. Receivables including provided credits and loans		
6. Other property items*)		
7. Payables including received credits and loans		
8. Reserves		

9. Wages

\*) Marked data are facultative

**E. Alterations pursuant to § 5, § 23 of the Act <sup>1)</sup>**

Number of row	Description of the alteration pursuant to § 5, § 23 of the Act <b>increasing</b> trading result or the difference between income (revenues) and expenses	Taxpayer fills in whole Czech crowns
1.		
2.		
3.		
4.		

Number of row	Description of the alteration pursuant to § 5, § 23 of the Act <b>reducing</b> trading result or difference between income (revenues) and expenses	Taxpayer fills in whole Czech crowns
1.		
2.		
3.		
4.		

**F. Information about members of an association <sup>2)</sup>**

If you are a member of an association, that is not legal entity, fill in information about other members of the association					
	First name	Surname	TIN	Share in income in %	Share in expenses in %
1.					
2.					
3.					

**G. Information about co-operating person <sup>1)</sup>**

If you are a person allocating income (revenues) and expenses pursuant to § 13 of the Act, fill in information about co-operating person				
	First name	Surname	TIN (Personal ID)	Share in income (revenues) and expenses in %
1.				
2.				

**H. Information about person allocating income (revenues) and expenses**

If you are a co-operating person pursuant to § 13, fill in information about the person allocating income (revenues) and expenses				
	First name	Surname	TIN	Share in income (revenues) and expenses in %
1.				

**I. Information about a general partnership (i.e. unlimited partnership) or a limited partnership <sup>2)</sup>**

Tax identification number of the general partnership (i. e. unlimited partnership) where you are a partner, or the limited partnership, where you are a general partner, and the percentage of your share.	TIN	%

<sup>1)</sup> Choose the corresponding alternate from the preprinted possibilities in the frame and mark it with cross<sup>2)</sup> Data for which is not sufficient the range, fill in the free sheet and enclose to the form

## INSTRUCTIONS TO ATTACHMENT No. 1

In this Attachment, provide income from the Czech Republic as well as income from sources in abroad converted into CZK. For the purpose of this Act, income from abroad shall mean income from sources in a foreign country minus related expenses pursuant to the Act. Expenses are to be given in their actual amount or as a percentage of the income. Pursuant to Section 25, Subsection 1, Letter i) of the Act (Section 2, Subsection 2 of the Act), expenses incurred to generate, assure and maintain income exempt under the Double Taxation Agreement must not exceed such income. Deductible items and items reducing the tax base shall not be taken into account in ascertaining the tax base.

In order to prevent double taxation pursuant to Section 38f of the Act, Section 38 shall be applied as follows to convert foreign currency into CZK:

- If you keep accountancy, apply the same exchange rates for foreign currency as declared by the Czech National Bank for accounting purposes.
- If you do not keep accountancy and if you do not apply the same exchange rates for foreign currency as declared by the Czech National Bank for accounting purposes, apply the single exchange rate pursuant to Section 38, Subsection 1 of the Act.

**Provide the amounts in whole CZK. Figures used to calculate the tax liability are considered to be indicators pursuant to Section 146 of the Act on Administration of Taxes, and are to be rounded to two decimal points. Sequential rounding in two or more stages is forbidden.**

### 1. Calculation of Partial Tax Base from Business Activity and Other Independent Gainful Activities pursuant to Section 7 of the Act

Choose one of the options provided in the table and cross the selected option.

**row 101 Income pursuant to Section 7 of the Act** – give the total income from business activity and other independent gainful activities (Section 7 of the Act) which form the tax base for the income tax of individuals pursuant to the Act at 31 December 2011 (depending on the type of business, do not include for instance income pursuant to Section 8 of the Act). If you maintain tax evidence, information from such records is to determine the income. If you do not claim expenses in the documented amount, provide the total of taxable income pursuant to Section 7 of the Act recorded in the income records kept according to Section 7, Subsection 8 of the Act. Income on this row shall include income of a member of an association, which is not a legal entity, in the amount set forth in the association agreement or by parity.

On row 101, do not provide your share of income of a self-employed person pursuant to Section 13 of the Act which you earn as a cooperating person (provide this income on row 109), and your share of profit as a partner in a general partnership or a general partner in a limited partnership (provide this income on row 112). If you keep accountancy, give the trading result before tax – (profit, loss) on row 104. Provide the amounts prior to alterations pursuant to Section 5 and Section 23 of the Act.

**row 102 Expenses related to income pursuant to Section 7 of the Act** – give the total of expenses related to income from business activity and other independent gainful activities (Section 7 of the Act) which form the tax base of the income tax of individuals as at 31.12. 2011 (depending on the type of business, do not include for instance income pursuant to Section 8 of the Act). If you keep tax evidence, information from such records is to determine expenses. Expenses may be claimed equally for all types of business activity or other independent gainful activities pursuant to Section 7 of the Act, which form the partial tax base, i.e. evidently incurred expenses according to Section 24 of the Act. If you do not claim expenses in the documented amount, provide expenses as a percentage of income (Section 7, Subsection 7 of the Act) from the total of all taxable income recorded in the income records under Section 7, Subsection 8 of the Act. To calculate expenses use the below table "B. Type of Business". For the taxable period 2011, you may claim expenses in the amount of 80 % from income from agriculture, forestry and water management (Act no. 252/1997 Coll.), and from manual crafts, 60 % from other trades except for manual crafts, and 40 % in all other cases set forth in Section 7, Subsection 7, Letter c) of the Act (e.g. copyright fees). If you claimed expenses in the evidently documented amount in 2010 and you want to claim expenses as percentage of income for the 2011 tax period, adjust the trading result or the difference between income and expenses for the taxable period 2010 pursuant to Section 23, Subsection 8 by filing an supplementary tax return for 2010. Expenses on this row shall include expenses of a member of an association, which is not a legal entity, in the amount set forth in the association agreement or by parity. On row 102, do not provide your share of expenses of a self-employed person under Section 13 of the Act which you incur as a cooperating person (provide this on row 110), and your share of loss as a partner in a general partnership or a general partner in a limited partnership (provide this on row 112). If you keep accountancy, give the trading result before tax – loss, on row 104. Provide the amounts prior to alterations pursuant to Section 5 and Section 23 of the Act.

**row 103 Do not fill for the taxable period 2011.**

**row 104 Difference between Income and Expenses (row 101 – row 102) or trading result before tax (profit, loss)** – state as per the instructions in the form. Taxpayers who keep tax evidence and taxpayers who do not keep accountancy shall provide the difference between income and expenses, and taxpayers who keep accountancy shall provide the trading result before tax. Provide the amounts prior to alterations under Section 5 and Section 23 of the Act. If the expenses are greater or the economic result before tax is a loss, then put in the minus sign.

**row 105 Total of Amounts pursuant Section 5, Section 23 of the Act and other alterations increasing – give the total amount increasing the trading result** or the difference between income and expenses. Use the amounts from Part E on page (2). Such alterations include for instance: amounts in connection with failure to meet the conditions (Section 34 Subsection 6 of the Act) for claiming amounts under Section 34, Subsection 3 of the Act as amended before 31 December 2004, amounts of withheld insurance premiums not levied by the end of the month following the end of the tax period by employers who keep accountancy, alteration amounts in connection with termination or cease of the business or in connection with a change in the manner in which expenses are claimed, or pursuant to Section 5, Subsection 10 of the Act, etc.

**row 106 Total of Amounts pursuant to Section 5, Section 23 of the Act and other alterations reducing – give the total amount reducing the trading result** or the difference between income and expenses. Use the amounts from Part E on page (2). Such alterations include for instance: difference between accountancy and tax depreciations, alteration amounts in connection with termination or cease of the business or in connection with a change in the manner in which expenses are claimed, etc. If you maintain accounting books, give in this row capital gains income included in the trading result under Section 5, Subsection 11 of the Act.

Income Accruing from Capital is a partial tax base pursuant to Section 8 of the Act – provide the income on row 38, Part II of the main tax return, page 2.

**row 107 Part of Income or Trading Result before Tax (profit) which you allocate to the cooperating person(s) under Section 13 of the Act** – give part of income or trading result before tax (profit) which you allocate to the cooperating person(s) pursuant to Section 13 of the Act.

**row 108 Part of Expenses or Trading Result before Tax (loss) which you allocate to the cooperating person(s) pursuant to Section 13 of the Act** – give part of income or trading result before tax (loss) which you allocate to the cooperating person(s) pursuant to Section 13 of the Act.

Information about persons to whom you distribute part of the income and expenses as to cooperating person(s), or a share in the trading result (profit, loss), provide on page (2), Part G.

**row 109 Part of Income or Trading Result before Tax (profit) which was allocated to you as to cooperating person(s) pursuant to Section 13 of the Act** – give part of income or trading result before tax (profit) which was allocated to you as to cooperating person(s) pursuant to Section 13 of the Act.

**row 110 Part of Expenses or Trading Result before Tax (loss) which was allocated to you as the cooperating person(s) pursuant to Section 13 of the Act** – give part of expenses or trading result before tax (loss) which was allocated to you as the cooperating person(s) under Section 13 of the Act.

Information about the person who distributes part of the income and expenses to you as to cooperating person(s), or a share in the trading result (profit, loss), provide on page (2), Part H.

**row 111 Do not fill out for the taxable period 2011.**

**row 112 Your Share as a Partner in a General Partnership or a General Partner in a Limited Partnership** – as a partner in a general partnership or a general partner in a limited partnership, give the part of the tax base (Section 7 of the Act) of either company determined according to Sections 23 – 33 of the Act. This portion of the tax base is determined in the same ratio as is the ratio for the distribution of profit under the Articles of Association, otherwise by parity. If the general partnership or the limited partnership incur loss, that loss is distributed in the same manner as the tax base. In that case, put a minus sign with your share, i.e. the amount will be subtracted on row 113 when the final computation of the tax base is done.

**row 113 Partial Tax Base (loss) from Income pursuant to Section 7 of the Act (row 104 + row 105 - row 106 - row 107 + row 108 + row 109 - row 110 - row 111 + row 112)** – calculate as instructed. The result less than a zero means a partial loss pursuant to Section 7 of the Act. Copy the result to row 37, Part II, of the main tax return, page 2.

## **2. Supplementary Information (to Section 7 of the Act)**

### **A. Information about turnover and depreciation**

**Annual net turnover** – if you keep accountancy, give the annual net turnover according to Section 20, Subsection 1, Letter a) point 2 of the Act no. 563/1991 Coll., on the Accountancy, as amended.

**Claimed Total Depreciation** – give depreciation of the assets.

**Out of that Depreciation of Real Property** – of the amount of total depreciation, give depreciation of real property.

### **B. Type of Business**

**Name of Business Activity** – give the purpose of your business activity or other independent gainful activity, including multiple purposes. If you claim expenses as a percentage of income (pursuant to Section 7, Subsection 7 of the Act), give for each type of gainful activity the amount of income in CZK, the amount of expense in CZK and the percentage rate applied (see instructions regarding row 102). In case of lack of space attach free sheet.

**Data CZ-NACE** – to be filled out by the tax administrator.

### **C. Information about Business Activity or other Independent Gainful Activity**

**Do not provide information about facts that happened before 1 January 2011.**

**Date of starting the activity** – give the date of actual start of the activity.

**Date of cease of the activity** – give the date of actual cease of the activity.

**Date of termination of the activity** – give the date of actual termination of the activity.

**Date of restarting of the activity** – give the date of actual restart of the activity.

**Number of months of business** – give the number of months for which you were in business under Section 7, Subsection 1, Letter a), b) or c) of the Act.

### **D. Table for taxpayers who keep tax evidence pursuant to Section 7b of the Act**

**Information on row 1 through line 7 is to be given pursuant to Section 7b of the Act.**

**row 1:** as at the end of the taxable period, give the book value of tangible assets under Section 29 of the Act as defined in Section 26, Subsection 2 of the Act.

**row 2:** as at the end of the taxable period, give the money in cash and duty stamps under Section 7b of the Act.

**row 3:** as at the end of the taxable period, give the balance on the bank accounts under Section 7b of the Act.

**row 4:** as at the end of the taxable period, give the stock.

**row 5:** as at the end of the taxable period, give the receivables.

**row 6:** as at the end of the taxable period, give other assets under Section 7b of the Act.

**row 7:** as at the end of the taxable period, give the actual liabilities.

**row 8:** Information about Reserves Defined in Act no 593/1992 Coll., on Reserves for Calculation of Tax Base, as amended, is to be taken over from the statutory reserves cards.

**row 9:** Information about Wages is to be taken over from payroll agenda (payroll sheets, summary of wages, etc.). Give the total of wages for the tax period.

Information in this table may be used to document assets according to special regulation.

### **E. Alterations under Section 5, Section 23 of the Act and other alterations according to the Act**

If you increase or reduce the trading result or the difference between income and expenses pursuant to Section 5, Section 23 of the Act and other alterations under the Act, give their description and amounts in whole CZK in the following tables. In the first table, give items increasing and in the second table items reducing the trading result or the difference between income and expenses. If you lack space give the data on free sheet and attach to the form.

### **F. Information about members of an association**

If you are a member of an association which is not a legal entity, provide information about other members of the association.

### **G. Information about cooperating persons**

If you are a person allocating income and expenses pursuant to Section 13 of the Act, provide information about cooperating persons to whom you allocate.

### **H. Information about the person allocating income and expenses**

If you are a cooperating person under Section 13 of the Act, provide information about the person allocating income and expenses to you.

### **I. Information about an general partnership (i. e. unlimited partnership) or a limited partnership**

Provide the Tax Identification Number of the general partnership where you are a partner or the limited partnership where you are a general partner, and the percentage of your share.