

# INSTRUCTIONS

## for filling out corporate income tax return by the Recipients of Investment Incentives and for filling out the Separate Attachment to Row 5 of Table H of Attachment no. 1 to Part II of corporate income tax return

### Generally

Recipients of covenants for Investment Incentives will indicate the appropriate specific type of taxpayer that they are, in the tax return classification code (first space from the left in Item 03 on the title page of the Form). This may be;

8 – Recipients of Investment Incentives in the taxation sphere pursuant to a Government Resolution,

9 – Recipients of Investment Incentives claiming Relief pursuant to Section 35a of the Act

0 – Recipients of Investment Incentives claiming Relief pursuant to Section 35b of the Act

The recipients of covenants for investment incentives in the taxation sphere passed by the relevant Resolution of the Government of the Czech Republic, will indicate themselves as Type 8.

The recipients of covenants for investment incentives claiming relief pursuant to Section 35a of the Act on Income Tax (specific type 9 taxpayer) or Section 35b) of the Act on Income Tax (specific type 0 taxpayer) will begin to show the relevant specific type of taxpayer beginning with the taxable period in which the Decision on the Covenant for Investment Incentives pursuant to Article 5, subsections 4 and 5 of Act no. 72/2000 Coll., on Investment Incentives and amendments to some Acts, as amended, (hereinafter, "Act on Investment Incentives" or "THE AI") is issued.

The information on the specific type 9 taxpayer will be indicated for the last time in the tax return for the taxable period in which the time limit for assessing the tax pursuant to Section 35a, Subsection 3, of the Act or in the taxable period in which will be one of the situation pursuant to Section 35a, subsection 7 to 9 of the Act, or the taxable period in which the entitlement to tax relief will be voided pursuant to Section 35a subsection 6 of the Act. The specific symbol for the type 9 taxpayer will also be indicated on the possible supplementary tax return pursuant to Section 35a, subsection 6 of the Act.

The information on the specific type 0 taxpayer will be indicated for the last time in the tax return for the taxable period in which the time-limit for assessing the tax pursuant to Section 35b. subsection 4, of the Act on or in the taxable period, in the taxable period in which will be one of the situation pursuant to Section 35a, subsection 7 to 9 of the Act, or the taxable period in which the entitlement to tax relief will be voided pursuant to Section 35b subsection 7 of the Act. The specific symbol for the type 0 taxpayer will also be indicated on the possible supplementary tax return pursuant to Section 35b, subsection 7 of the Act.

### Separate Attachment to Row 5 Table H of Attachment no. 1 to Part II of the Corporate Income Tax Return

This separate attachment is only filled out by the following type of taxpayers

9 – Recipient of Investment Incentives claiming Relief pursuant to Section 35a of the Act on, and

0 – Recipient of Investment Incentives claiming Relief pursuant to Section 35b of the Act beginning in the taxable period in which it is possible to claim the relief for the first time (Section 35a, subsection 3 or Section 35b, subsection 4, of the Act.) For taxable period pursuant to Section 35a subsection 3, or Section 35b subsection 4 of the Act, which is chosen by taxpayer as the first taxable period within ten-year period, for which you can apply tax relief, is filled into appropriate column, row 1 of the table "Claim of tax relief pursuant to § 35a subsection 4 of the Act" or "Claim tax relief pursuant to § 35b subsection 5 of the Act".

The procedure in the calculation of the amounts of the stated relief and their claiming is given by the arrangement and actual meaning of the relevant rows and columns of the printed form. A taxpayer, to whom more than one investment incentive covenant has been provided, may only claim the tax relief for the taxable period on one of these covenants. If he claims the tax relief on a covenant that is provided later, he cannot, in all the following taxable periods, claim a tax relief for an earlier covenant (Section 35a, subsection 2, letter f and Section 35b, subsection 6, of the Act).

When determining the upper limit of the total tax relief from the beginning of the time that it is possible to claim them (Article 35a, subsection 3 or Article 35b, subsection 4, of the Act), proceed according to the computation that comes from the actual meaning of the rows on the relevant Table on the following page.

**Calculation of the non-exceedable limit of the total tax relief for the expired period of time pursuant to Section 35a, subsection 3, or Section 35b, subsection 4, of the Act (hereinafter "considered period").**

#### I. In the system valid to 30 April, 2004

##### a) Starting out conditions stipulated by a Decision by the Office for the Protection of Corporate Competition

Row	Indicator	Taxpayer
1	Volume of expenses suitable for granted support, relating to the investment project, stipulated by a Decision of the Office for the Protection of Corporate Competition pursuant to Section 6, subsection 3, Act no. 59/2000 Coll., on Public Support (in whole CZK)	
2	Level of public support stipulated by a Decision of the Office for the Protection of Corporate Competition pursuant to Section 6, subsection 3, Act no. 59/2000 Coll., on Public Support (in %)	
3	Maximum total value of public support stipulated by a Decision of the Office for the Protection of Corporate Competition pursuant to Section 6, subsection 3, Act no. 59/2000 Coll., on Public Support (in whole CZK) $\frac{\text{row 1} \times \text{row 2}}{100}$	

##### b) Drawing of individual types of public support from the commencement of the running of a particular time-limit pursuant to Section 5, subsection 5 of the Act on Investment Incentives (All)

4	Total volume of investments into suitable expenses defined by a Decision of the Office for the Protection of Corporate Competition pursuant to Section 6, subsection 3, Act no. 59/2000 Coll., on public support, actually expended by the end of the considered period, to a maximum of the amount on row 1 (in whole CZK)	
5	The maximum total value of public support stipulated by a Decision of the Office for the Protection of Corporate Competition pursuant to Section 6, subsection 3, Act no. 59/2000 Coll., on public support, claimable till the end of the considered period, (in whole CZK)	$\frac{\text{row 4} \times \text{row 2}}{100}$
6	Actual amount of benefit in the transfer of the technically equipped site for an advantageous price (Section 1, subsection 2, letter b) of the All or in the transfer of land (Section 1, subsection 2, letter e) of the All) corresponding to the difference between the price stipulated pursuant to Act no. 151/1997 Coll., on Property Valuation, as amended, and the price actually paid to the end of the considered period (in whole CZK)	
7	Actual drawing of tangible support for the creation of new jobs (Section 1, subsection 2, letter c) of the All) to the end of the considered period (in whole CZK)	
8	Actual drawing of tangible support for re-qualification (Section 1, subsection 2, letter c) of the All) to the end of the considered period (in whole CZK) if it must be included in the total amount of public support due to a Decision by the Office for the Protection of Corporate Competition	
9	Non-exceedable summary of tax reliefs (Section 1, subsection 2, letter a) of THE All) to the end of the considered period, stipulated pursuant to Section 35a, subsection 4 or Section 35b, subsection 5, of the Act on income taxes (rows 5 - 6 - 7 - 8) > 0)*	

\*) The amount on row 9 is carried over to column 2, row 1 of the Table "Claiming reliefs pursuant to Section 35a, subsection 4 of the Act" or "Claiming relief pursuant to Section 35b, subsection 5, of the Act" which is a part of the "Separate Attachment to row 5, Table H of Attachment no. 1 to Part II" of the corporate income tax return form.

## II. In the system valid from 1<sup>st</sup> May 2004

### a) Starting out conditions stipulated by a Decision of the Ministry of Industry and Trade

Row	Indicator	Taxpayer
1	Expenses that may be assisted (Section 3, subsection 2, letter c) In conjunction with Section 6a, subsection 1, of the All (in whole CZK)	
2	Acceptable level of public support pursuant to Section 5, subsection 4, letter d) In conjunction with Section 6, subsection 1, of the All (in %)	
3	Acceptable value of public support pursuant to Section 6, subsection 2 of the All (in whole CZK)	$\frac{\text{row 1} \times \text{row 2}}{100}$

### b) Drawing of individual types of public support from the commencement of the running of a particular time-limit pursuant to Section 5 subsection 5 of the Act on Investment Incentives

4	Total volume of investments into suitable expenses, actually expended by the end of the considered period, up to a maximum of the amount on row 1 (in whole CZK)	
5	Maximum acceptable value of public support claimable to the end of the considered period (in whole CZK)	$\frac{\text{row 4} \times \text{row 2}}{100}$
6	Actual amount of benefit in the transfer of the technically equipped site for an advantageous price (Section 1, subsection 2, letter b) of the All or in the transfer of land (Section 1, subsection 2, letter e) of the All) corresponding to the difference between the price stipulated pursuant to Act no. 151/1997 Coll., on Property Valuation, as amended, and the price actually paid to the end of the considered period (in whole CZK)	
7	Actual drawing of tangible support for the creation of new jobs (Section 1, subsection 2, letter c) of the All) end of the considered period (in whole CZK)	
8	Non-exceedable summary of tax reliefs (Section 1, subsection 1, letter a) of the All) to the end of the considered period, stipulated pursuant to Section 35a, subsection 4 or Section 35b, subsection 5, of the Income Tax Act (rows 5 - 6 - 7) > 0)*	

\*) The amount on row 8 is carried over to column 2, row 1 of the Table "Claiming relief pursuant to Section 35a, subsection 4 of the Act" or "Claiming reliefs pursuant to Section 35b, subsection 5, of the Act" which is a part of the "Separate Attachment to row 5, Table H of Attachment no. 1 to Part II" of the corporate income tax return form.

## III. In the system valid from 12<sup>th</sup> July 2012

### a) Starting out conditions stipulated by a decision of the Ministry of Industry and Trade

Row	Indicator	Taxpayer
1	Maximum rate of public support pursuant to Section 5, subsection 5, letter d), in connection with Section 6, subsection 1, of Act on Investment Incentives (hereinafter "The All") – expressed as a percentage	
2	Maximum amount of public support pursuant to Section 5, subsection 5, letter d), in connection with Section 6, subsection 2, subsection 1, of The All – in CZK	

**b) Drawing of individual types of public support from the commencement of the running of a particular time-limit pursuant to Section 6a subsection 1 of the Act**

Row	Indicator	Taxpayer
3 <sup>1)</sup>	Eligible costs (Section 6a, subsection 1, letter a)* b)* point 1.* 2.* of The All, spent till the end of the considered period – in CZK	
4	Maximum acceptable value of public support claimable to the end of the considered period, up to the amount stated on row 2 – in CZK $\frac{\text{row 3} \times \text{row 1}}{100}$	
5	Actual amount of the price benefit in the transfer of land and associated infrastructure (Section 1a, subsection 1, letter a) point 2) of The All), provided till the end of the considered period – in CZK	
6	Actual drawing of tangible support for the creation of new jobs (Section 1a, subsection 1, letter a) point 3 of The All) – in CZK	
7	Actual amount of tangible support for the retraining or training of employees (Section 1a, subsection 1, letter a), point 4, in connection with Section 2, subsection 8 of The All), paid till the end of the considered period, separately with investments incentives pursuant to Section 1a, subsection 1, letter a), points 1, 2, 3, 5 of The All – in CZK	
8	Actual drawing of tangible support for acquisition of tangible and intangible assets for strategic investment project (Section 1a, subsection 1, letter a), point 5 of The All), till the end of the considered period – in CZK	
9	Non-exceedable summary of tax reliefs (Section 1, subsection 1, letter a), point 1 of The All) to the end of the considered period, stipulated pursuant to Section 35a, subsection 4 or Section 35b, subsection 5, of the Income Tax Act (row 4 – 5 – 6 – 7 – 8) > 0)*	

\* The amount on row 9 is carried over to column 2, row 1 of the Table "Claiming reliefs pursuant to Section 35a, subsection 4 of the Act" or "Claiming relief pursuant to Section 35b, subsection 5, of the Act" which is a part of the "Separate Attachment to row 5, Table H of Attachment no. 1 to Part II" of the corporate income tax return form.

**IV. In the system valid from 1st May 2015**

**a) Starting out conditions stipulated by a decision of the Ministry of Industry and Trade**

Row	Indicator	Taxpayer
1	Maximum rate of public support pursuant to Section 5, subsection 5, letter d), in connection with Section 6, subsection 1 of the All -expressed as a percentage	
2	Maximum amount of public support pursuant to Section 5, subsection 5, letter d), in connection with Section 6, subsection 1, of The All – in CZK	
3	Discount rate valid at the time of granting public support, i.e. the date of issue the promise of investment incentive	

**b) Drawing of individual types of public support from the commencement of the running of a particular time-limit pursuant to Section 6a, subsection 1 of the Act, in connection with Subsection 35a, subsection 4, or with Section 35b, subsection 5 of the Act**

Row	Indicator	Taxpayer	
4 <sup>1)</sup>	Eligible costs (Section 6a, subsection 1, letter a)* b)* point 1.* 2.* of The All, spent till the end of the considered period – in CZK	nominal value	net present value
5	Maximum acceptable value of public support claimable to the end of the considered period, up to the amount stated on row 2 – in CZK $\frac{\text{row 4} \times \text{row 1}}{100}$		
6	Actual amount of the price benefit in the transfer of land and associated infrastructure (Section 1a, subsection 1, letter a) point 2) of The All), provided till the end of the considered period – in CZK		
7	Actual drawing of tangible support for the creation of new jobs (Section 1a, subsection 1, letter a) point 3 of The All) till the end of the considered period – in CZK		
8	Actual amount of tangible support for the retraining or training of employees (Section 1a, subsection 1, letter a), point 4, in connection with Section 2, subsection 8 of The All), paid till the end of the considered period, separately with investments incentives pursuant to Section 1a, subsection 1, letter a), points 1, 2, 3, 5 of The All – in CZK		
9	Actual drawing of tangible support for acquisition of tangible and intangible assets for strategic investment project (Section 1a, subsection 1, letter a), point 5 of The All), till the end of the considered period – in CZK		
10	Actual amount of tax reliefs from intangible assets in subsidized industrial zones (Section 1a, subsection 1 letter a), point 6 of the All), provided till the end of the considered period - in CZK		
11	Non-exceedable summary of tax reliefs (Section 1, subsection 1, letter a), point 1 of The All) to the end of the considered period, stipulated pursuant to Section 35a, subsection 4 or Section 35b, subsection 5, of the Income Tax Act (row 5 - 6 - 7 - 8 - 9 - 10) > 0)*	<b>X</b>	

\*) The amount from row 11 in column "net present value" transfer into column 1 of the table "Entitlement to tax reliefs pursuant Section 35a, subsection 4 of the Act", or "Entitlement to tax reliefs pursuant Section 35b, subsection 5 of the Act" which are part of "Separate Attachment to Row 5 of Table H of Attachment no. 1 to Part II of corporate income tax return". The column "net present value" is only informative and for control, not for determining the relief.

c) **Control of compliance with total maximum rate of public support pursuant to Section 6a subsection 1 of the Act from the beginning of the period for the claiming of the tax relief pursuant tu Section 35a subsection 4 or Section 35b subsection 5 of the Act.**

12	Total amount of relief from income tax (§ 1a subsection 1 letter a) point 1 of the Act), actually applied till the end of evaluated period, max. amount from the row 11**)		
13 <sup>d)</sup>	The rate of public support in all forms investment incentive actually reached till the end of the evaluated period (in %)	$\frac{\text{row 6} + \text{row 7} + \text{row 9} + \text{row 10} + \text{row 12}}{\text{row 4}} \times 100$	

\*\* ) O

\*\* ) On row 12 column "nominal value", will be stated the sum of amounts from column 2 and 4 on the row 1 of the partial table "Claim of tax relief pursuant to § 35a subsection 4 of the Act" or "Claim tax relief pursuant to § 35b subsection 5 of the Act", which are part of "Separate Attachment to Row 5 Table H of Attachment no. 1 to Part II of the Corporate Income Tax Return"; in column "net present value" will be stated the sum of net present values of the tax relief claimed in previous tax periods and the net present value of the tax relief which supposed to be claimed in the current tax period.

- 1) The values will be taken from the decision concerning the promise of investment incentive, in the case the net present value will not be listed in the decision, this detail remains unfilled.
- 2) Specification of the eligible costs shall be made in editable field by adding the reference to the appropriate letter of the Section 6a, subsection 1 of The Act. In the case of investment project in technology centres or in centres of strategic services the eligible costs, selected by applicant, shall be detailed specified in the second editable field by adding a number of appropriate point pursuant to Section 6a subsection 1 letter b) of the Act; in the case of eligible costs, the editable field shall be struck out pursuant to Section 6a subsection 1 letter a) of the Act.
- 3) For recalculation nominal value of eligible costs (row 4) and amounts drawing particular types of investment incentive (row 6 to 10 and 12) in duration of considered period on their net present value, it will be used Discounting table for recipient of investment incentive, available on Ministry of Industry and Trade of the Czech Republic website: <https://www.mpo.cz/cz/podnikani/dotace-a-podpora-podnikani/investicni-pobidky-a-prumyslovezony/investicni-pobidky/diskontovani-v-systemu-investicnich-pobidek--223103/>.
- 4) If the resulting value in any of the columns exceeded % from row 1, it is necessary to reduce the tax relief that can be claimed in the evaluated taxable period.

**Determination of default amount S2 pursuant to Section 35b, subsection 1, letter of the Act, as amended, before its adjustment of values year on year sectoral price indices published by the Czech Statistical Office**

a) **calculation of default data for collection of amount S2 pursuant to Section 35b, subsection 1 letter b), in connection with Section 35b, subsection 3 of the Act, as amended to 30 April 2015**

Row	Name of the item	The taxable period immediately preceding the tax period for which the tax relief can be claimed for the first time	
		The first from dd.mm.yyyy to dd.mm.yyyy	The second from dd.mm.yyyy to dd.mm.yyyy
0	1	2	3
1	Tax base after adjusting for part of the tax base (tax loss), attributable to the general partner and for incomes subject to taxation abroad for which is claimed exemption, reduced by items pursuant o Section 34 and amounts pursuant to Section 20 subsection 8 of the Act (row 270 II part, before rounding down to the whole thousands CZK units.		
2	The difference by which are the interest incomes included into the tax base (pursuant to Section 20 subsection 1 of the Act) exceeds the related expenditures (costs)		
3	Tax base for default amount S2 calculation (row 1 - row 2)		
4	Tax rate (%)		
5 <sup>)</sup>	Amount of tax; If the amount will be ≤ 0 on row 3, the detail will be empty	$\frac{\text{row 3} \times \text{row 4}}{100}$	

\*) The higher of the tax amounts calculated on row 5 will be filled on row 1 of partial table b) Calculation of amount S2 pursuant to Section 35b, subsection 1, letter b) of the Act, as a default amount S2

b) **calculation of default data for determination of amount S2 pursuant to Section 35b, subsection 1 letter b), in connection with Section 35b, subsection 3 of the Act, as amended from 1st May 2015 with regard to the transitional provision pursuant to artical IV, II part of the Act no. 84/2015 Coll.**

Row	Name of the item	The taxable period immediately preceding the tax period for which the tax relief can be claimed for the first time		
		The first from dd.mm.yyyy to dd.mm.yyyy	The second from dd.mm.yyyy to dd.mm.yyyy	The third from dd.mm.yyyy to dd.mm.yyyy
0	1	2	3	4
1	Tax base after adjusting for part of the tax base (tax loss), attributable to the general partner and for incomes subject to taxation abroad for which is claimed exemption, reduced by items pursuant to Section 34 and amounts pursuant to Section 20 subsection 8 of the Act (row 270 II part, before rounding down to the whole thousands CZK units.			
2	Tax base after adjusting by the amount on row 2 (row 1 - row 2)			
3	Tax base for default amount S2 calculation (row 1 - row 2)			
4	Tax rate (%)			
5)	Amount will be ≤ 0 on row 3, the detail will be empty $\frac{\text{row 3} \times \text{row 4}}{100}$			
6	Duration of taxable period (in months)			
7	The amount of tax recalculated on 12 months period $\frac{\text{row 5} \times \text{row 12}}{\text{row 6}}$			

8	Sum of tax amounts from row 7 for taxable period immediately preceding the tax period for which the tax relief can be claimed for the first time	
9	Arithmetic mean from sum of tax amount on row 8 calculated for all (maximum three) taxable period immediately preceding the tax period for which the tax relief can be claimed for the first time	

\*) The amount, calculated in last column on row 9, will be filled on row 1 of partial table b) Calculation of amount S2 pursuant to Section 35b, subsection 1, letter b) of the Act, as a default amount S2.

\*\*\*) Taxpayer, from its registration of income tax expired less than three taxable period, fill in only data for taxable period, for which submitted tax return.