

# INSTRUCTIONS

## for filling out the income tax return by individuals that only have incomes from employment from sources from the Czech Republic (including tax non-residents of the Czech Republic) for the taxable period (calendar year) 2023

„Instructions for filling out the income tax return by individuals that only have incomes from employment from sources from the Czech Republic (including tax non-residents of the Czech Republic) for the taxable period (calendar year) 2023“ no. 25 5405/D/1 MFin 5405/D/1 - model no. 8 (hereinafter „Instructions“) are instructions for filling out the form „Income tax return by individuals that have incomes from employment from sources from the Czech Republic (including tax non-residents of the Czech Republic) pursuant to Act no. 586/1992 Coll., on Income Tax, as amended, for the taxable period (calendar year) 2023“ no. 25 5405/D MFin 5405/D - model no. 5 (hereinafter „tax return“)

Instructions are not to replace the methodological interpretation of Act no. 586/1992 Coll., on Income Tax, as amended, (hereinafter Act) and Act no. 280/2009 Coll., Tax Code, as amended, (hereinafter „Tax Code“), but serve as guidelines for filling out the tax return filed pursuant to Section 38gb of the Act or pursuant to Sections 135, 136, 138, 141, 239b, of Tax Code, and highlight the key principles which need to be adhered to in order to calculate due tax liability. In view of the above, the taxpayer needs to be familiar with the relevant provisions of the legal regulations referred to you.

The tax return is designed for individual income tax payers (including tax non-residents of the Czech Republic). If you tax your incomes in the Czech Republic from sources abroad, use the form „Income tax return by individuals pursuant to Act no. 586/1992 Coll., on Income Tax, as amended, for taxable period (calendar year) 2023“ no. 25 5405 MFin 5405 - model no. 28 (hereinafter tax return no. 28). In the case you find out that your tax should be higher (lower) after deadline for submission of the regular tax return, it is necessary to submit additional tax return at form tax return model no. 28. In the case that was carried out a tax security pursuant to the Section 38e of the Act, follow the same procedure. If you have incomes only from sources from the Czech Republic (incl. tax non-residents of the Czech Republic) you can also use the form model no. 28.

The form is to be filled out on a type-writer, computer or in capital letters by hand. Please, be advised that the form may be short of space for all possible entries as the individual situations of taxpayers differ greatly. Should the space be insufficient in the form, please, provide additional information on a separate A4 sheet and provide the number of attached sheets in the Part Attachments, row “Number of Attachments Not Stated Above”. **Cross out rows and parts that are not filled.**

**Tax return, including attachments, may be filed electronically via data transfer using remote access signed in way, by which another legal provision connects the effects of handwritten signature or with verified identity of the sender in way by which it is possible to log into the data box or using the access with guaranteed identity or by means of tax information box in the form and structure and under conditions published on the website [www.mojedane.cz](http://www.mojedane.cz). Provided the tax return is confirmed by some of the ways mentioned in section 71, subsection 1 of the Tax Code within 5 days commencing the day when the tax administrator received the tax return it is possible to submit the tax return including attachments also via other data transfer using remote access, in the form and structure published by the tax administrator.**

### Instructions for Filling out tax return Front Page of the Form

**To Tax Office in, at, for** – fill in the official name of the relevant Tax Office (the Tax Administrator), in whose jurisdiction you permanently reside at the time of the filing. If you are registered, fill in the name of the Tax Office having jurisdiction according to the registration certificate.

**Local branch in, for** – state the local branch of tax office, where is your file regarding income tax by individuals located (pursuant to Section 13 of the Act no. 456/2011 Coll., on Financial Administration of the Czech Republic, as amended).

**row 01 Personal Identification Number given at Birth** – provide your identification number given at birth in the Czech Republic. If your number consists of only three digits after the slash, leave the last space blank. If you are a taxpayer without the identification number given at birth in the Czech Republic, provide your date of birth in format: day, month, year (DD.MM.YYYY) when this is valid only for written submission.

**row 02 Tax return** – cross the relevant type of tax return. The form may be used for a regular tax return or corrective tax return, which may be filed prior to the regular tax return time-limit (in this case cross both options).

**row 03 Classification Code for type of tax return** – cross the relevant code for tax return and provide a date when the event occurred

**I.** Death – in 3 months after death of the testator and for the part of the taxable period which expired before the day of his death, pursuant to § 239b subsection 4 of the Tax Code, and for the previous taxable period if the tax return has not been filed yet and the time limit for its filing has not expired pursuant to § 245 of the Tax Code

**N.** In 30 days from the day of the end of an inheritance proceeding and for the part of taxable period which expired before the day of the end of an inheritance proceeding. The obligation is met by the person that manages an inheritance (§ 239b subsection 5 and § 245 of the Tax Code)

**row 04 Tax return submitted by an advisor** – cross “yes” provided the tax return is filed by an advisor (§ 29 subsection 2 of the tax Code) based on a power of attorney for representation within the tax return filing process. Otherwise, cross “no”.

**Taxable Period** – give the calendar year for which the tax return is filed. For the relevant code for type of tax return (for example adjudication of bankruptcy order, cancellation of bankruptcy, death), give the relevant part of the calendar year.

### Regarding Part I Information about a Taxpayer

**row 05 Surname** – give your present surname.

**row 06 Birth name** – give your surname as it appears in your birth certificate (optional data item).

**row 07 First Name** – give your first name as it appears in your birth certificate.

**row 08 Title** – give your academic title (optional data item).

**row 9 through row 15 Address of permanent residence at the date of the filing of tax return** – give your address as indicated at the date of the filing of tax return in the Czech Republic or abroad. Number: building number slash street number (filling the data in row 13 and 14 is optional).

**row 16 through row 19 Address of permanent residence in the Czech Republic where is your habitual abode** – provide this information if you are not a permanent resident in the Czech Republic, but you spend time in the Czech Republic. Number: building number slash street number.

**row 20 Country Code** – if you are a taxpayer pursuant to Section 2, Subsection 3 of the Act, i.e. a tax non-resident in the Czech Republic who has a tax liability in connection with income generated in the Czech Republic, provide the country code of the state where you are a tax resident (List of codes is to be found at [www.financnisprava.cz](http://www.financnisprava.cz)).

**row 21 Total Worldwide Income** – if you are a taxpayer pursuant to Section 2, Subsection 3 of the Act i.e. a tax non-resident in the Czech Republic and a tax resident of EU member state or state forming EEA and if you claim nontaxable parts of tax base pursuant to Section 15 of the Act, or a tax relief in keeping with Section 35ba, Subsection 1, Letter b) through e) and letter g) or a tax credit in keeping with Section 35c of the Act, provide the total of all income generated in the Czech Republic and abroad. Quote in CZK and convert foreign currency according to Section 38, Subsection 1 of the Act.

In the following Parts, quote amounts in whole Czech crowns. Figures in these columns are considered to be indicators pursuant to Section 146 of the Tax Code, and are to be rounded to two decimal points. Sequential rounding in two or more stages is forbidden. The data about the signatory are filled in only in the case when the tax return is prepared and submitted by a different person than is the taxpayer. The instructions and codes of types of the signatory are published on the following websites of the Czech Tax Administration – [www.financnisprava.cz](http://www.financnisprava.cz).

**Application form for a refund of the individuals income tax overpayment** – fill out if you request refund pursuant to Sections 154 and 155b of the Administration of Taxes Act. If you file the application for a refund **at the same time** as the tax return before the expiry of the period for submitting the tax return, your application will be considered to be filed on the day when the deadline for submission of the tax return expires. Note that a power of attorney given to a proxy to file tax return on behalf of the taxpayer, does not give the proxy an authority to sign an application to request the tax refund. The authorization excludes that. The application for refund may be made separately. The tax administrator will return the access payment lower than CZK 200 only in exceptional cases in order to meet the principle of procedural economy (§ 155 subsection 4 of the Tax Code).

If you wish for the refundable overpayment to be transferred into an account in abroad (or to an account in the Czech Republic maintained in foreign currency), give the IBAN number of the account. Details regarding IBAN numbers are to be found on the Czech National Bank website ([www.cnb.cz](http://www.cnb.cz)), go to "Platební styk IBAN" ("System of payment IBAN"). You also need to provide the BIC code of the bank and its address. Further, provide the exact name of the account holder and his address and the currency code of the account.

#### Regarding Part II

##### Tax base from personal income tax from dependent activity from sources in the Czech Republic (Section 6 of the Act)

According to **Section 6 of the Act**, **income from dependent activity** includes income from sources in the Czech Republic.

If a taxpayer (tax resident of the Czech Republic) includes income under Section 6, Subsection 4 of the Act in the tax return, the tax withheld from this income is credited against his tax liability (state the amount of withheld tax in row 53 of the basic part of the tax return, page 2).

If a taxpayer (tax non-resident of the Czech Republic) who is a tax resident of another EU member state or state forming EEA includes income under Section 22, Subsection 1b), f) point 2 and g) point 6 of the Act in the tax return, the tax withheld from this income is credited against his tax liability (state the amount of withheld tax in row 54 of the basic part of the tax return, page 2).

**row 22 Total of All Income from All Employers** – provide information found out for example in the "Certification of taxable income from dependent activity and office - holder's emoluments and of withheld taxadvances from the income and tax credit for the taxable period 2023" form no. 25 5460 MFin 5460 - model no. 31 (hereinafter "Certification") issued by each employer as per your request pursuant to Section 38j, Subsection 3 of the Act. If you include income from which tax was withheld pursuant to Section 36, Subsection 6 and 7 of the Act in the tax return, you are required to give **all** of the income in row 22 and to prove it with the „Certification of taxable income from dependent activity pursuant to the Income Tax Act, no. 586/1992 Coll., as amended, and on tax withheld at a special tax rate from this income“ no. 25 5460/A MFin 5460/A - model no. 10 (hereinafter the „Certification of paid income and withheld tax“). State income pursuant to Section 5, Subsection 4 of the Act (in model of the certificate no. 31 it is sum of rows 2 and 4 and in Certificate of withheld tax no. 10 it is row 2).

**row 23** (unfilled)

**row 24 Tax Base from dependent activity (row 22)** – the calculated amount is tax base of incomes from dependent activity. Enter the amount from row 22.

#### Regarding Part III

##### Non-taxable parts of the tax base according to Section 15 of the Act

Fill in Part III if you claim non-taxable parts of the tax base pursuant to Section 15 of the Act.

Regarding the non-taxable parts of the tax base, which may be claimed in dependence on the number of calendar months under Section 15 of the Act, give in the column the number of months corresponding to the amount claimed in the next column (row 26).

**row 25 Amount pursuant to Section 15, Subsection 1 of the Act** – give the value of gratuitous transaction (donation) which you made according to Section 15, Subsection 1 of the Act. The total value of the donation (donations) in a given taxable period must exceed 2 % of the tax base on row 24 or must be at least 1 000 CZK. No more than a total of 15 % of the tax base on row 24 may be deducted.

**row 26 Amount pursuant to Section 15, Subsection 3 and 4 of the Act** – give the amount of interest paid in the taxable period 2023 on loan granted in connection with building savings program or with mortgage credit line as it appears in the statement issued by the building society, bank, branch office of a foreign bank or a foreign bank. The total amount of interest that may be deducted from the tax base in keeping with these Subsections from all loans of taxpayers in one household (Section 21e subsection 4 of the Act) must not exceed 300 000 CZK, respectively 150 000 CZK if you have procured the housing need since 1 January 2021. If interest was paid only during a part of the calendar year, the amount claimed must not exceed one-twelfth of the maximum amount for each month in which interest was paid.

**row 27 Amount pursuant to Section 15, Subsection 5 of the Act** – give the amount of payments paid towards your retirement insurance with government subsidy or supplementary pension saving as it appears in the statement of the pension company regarding payments made in the taxable period 2023. It is possible to apply the amount of monthly contributions paid towards your retirement insurance with government subsidy or supplementary pension saving which in the individual calendar months of the taxable period exceeded the amount to which the maximum state contribution belongs. The amount must not exceed the total of 24 000 CZK for 2023.

**row 28 Amount pursuant to Section 15, Subsection 6 of the Act** – give the amount of payments paid towards your private life insurance as it appears in the statement of the insurance company regarding insurance payments made in the taxable period 2023. The amount must not exceed the total of 24 000 CZK for 2023.

**row 29 Amount pursuant to Section 15, Subsection 7 of the Act** – give the amount of trade union contributions in the taxable period 2023 which according to its by-laws protects economic and social interests of employees to the extent defined by special regulation (Section 146 et seq. of law no. 262/2006 Coll., the Labour Code as amended). Up to 1,5 % of taxable income pursuant to Section 6 of the Act (except for income taxed pursuant to Section 6 of the Act by withholding and on the basis of a special tax rate) may be deducted, however, no more than 3 000 CZK for taxable period 2023.

**row 30 Amount pursuant to Section 15, Subsection 8 of the Act** – state the claimed amount of payment for exams verifying results of further education pursuant to the act No. 179/2006 coll., on verifying and recognition of results of further education and on amendments to some laws (the Law on Recognition of Results of Further Education), as amended, up to the amount CZK 10 000 for the taxable period 2023 (at taxpayer with disability up to the amount CZK 13 000 and at the taxpayer with severely disability up to the amount CZK 15 000).

**row 31 Total of non-taxable parts of the tax base (row 25 + row 26 + row 27 + row 28 + row 29 + row 30)** – give the total of non-taxable parts of the tax base according to the Act.

**row 32 Tax Base Reduced by non-taxable parts of the tax base (row 24 – row 31) Rounded down to Whole Hundreds of CZK** – make the computation according to the instructions (for instance 93 235 CZK round down to 93 200 CZK). If the row item is less than a zero, fill in zero.

At the taxpayer stated in Section 2 subsection 3 of the Act the tax base will be deducted for the taxable period by the amounts stated in rows from 46 to 51, only if it is the taxpayer that is the tax resident of a member state of the EU and EEA and if total incomes from sources in the Czech Republic pursuant to Section 22 of the Act are at least 90 % of all his incomes with exception of incomes which are not subject to tax pursuant to Section 3 or 6 of the Act, or are tax exempted pursuant to Section 4, 4a, 6, 8 or 10 of the Act, or incomes that are liable to tax withheld under a special tax rate.

#### Regarding Part IV

##### Total Tax

**row 33 Tax According to Section 16 of the Act** – tax according to Section 16 of the Act is 15% for the part of the tax base up to 48 multiple of the average wage and 23% for the part of the tax base exceeding the 48 multiple of the average wage. Tax is calculated from the tax base given in row 32 (**for 2023 is the 48 multiple of the average wage, pursuant to Decree-Law No. 356/2021 Coll. on the**

amount of general basis for 2021, recalculating coefficient for adjustments to general assessment basis for 2021, reduction limits for establishing the calculation base for 2023 and basic amount of pension stated for 2023 and on pension increase in 2023, at the amount of X XXX XXX CZK).

**row 34 Tax Rounded up to whole CZK** – give the amount in accordance with the instructions in the row.

#### **Regarding Part V Tax Relief and Tax Credit**

**row 35 Tax relief for suspended enforcement pursuant to § 35 subsection 4 of the Act** – give the compensation that was granted in the tax period or period for which the tax return is submitted by the executor (bailiff) at suspended enforcement where the object of the enforcement was claim not exceeding the amount of 1 500 CZK without related charges, and was carried out at least three years before the law no. 286/2021 Coll. became effective, for the reason that during these three years the claim was not recovered even partially.

#### **Instructions regarding table no. 1**

**Information about the spouse** – fill out particulars about your spouse with whom you live in one household (Section 115 of the Civil Code). Give this information only in the event you seek a tax relief for your spouse under Section 35ba, Subsection 1, Letter b) of the Act. Pursuant to Section 35ba, Subsection 1, Letter b) of the Act, your spouse's own annual income must not exceed CZK 68 000. For tax purposes the spouse is also meant registered partner pursuant to Section 21e subsection 3 of the Act. If the personal identification number was not assigned to spouse in the Czech Republic, fill in the date of birth in following format: day, month, year (DD.MM.YYYY).

**row 36 Amount under Section 35ba, Subsection 1 Letter a) of the Act** – give the amount CZK 30 840.

**row 37 Amount under Section 35ba, Subsection 1, Letter b) of the Act** – give the amount of CZK 24 840 annually, provided your spouse was not entitled during the taxable period or any part thereof to be classified in the third group of handicapped persons (extremely serious physical handicap with a need of personal assistance) – severely disability card (here after severely disability), lives in the same household and has no own income (pursuant to Section 35ba, Subsection 1 Letter b) of the Act) in excess of CZK 68 000 per year. If you supported your spouse in the household just for several calendar months in the tax period, reduce tax by CZK 2 070 for every calendar month at the beginning of which you supported your spouse.

**row 38 Amount under Section 35ba, Subsection 1, Letter b) of the Act** – give the amount of CZK 49,680 annually, provided your spouse was entitled to hold a severely disability card. If you supported your spouse in the household just for several calendar months in the tax period, reduce tax base by CZK 4 140 for every calendar month at the beginning of which you supported your spouse.

**row 39 Amount pursuant to Section 35ba, Subsection 1, Letter c) of the Act** – give the amount of CZK 2 520 annually (monthly CZK 210), if you were entitled to a disability pension due to disability of first or second degree from pension insurance scheme under Pension Insurance Act or if the claim to partial disability pension has terminated due to a joinder of claims for old-age pension and partial disability pension.

**row 40 Amount pursuant to Section 35ba, Subsection 1, Letter d) of the Act** – give the amount of CZK 5 040 annually (monthly CZK 420), if you were entitled to a disability pension due to disability of third degree from pension insurance scheme under Pension Insurance Act or another pension from the retirement insurance which is conditioned upon disability of third degree, if your claim to full disability pension lapsed due to a joinder of claims for old-age pension and disability pension of third degree or if you are fully disabled according to special law but your application for full disability pension was denied for reasons other than that of lack of full disability.

**row 41 Amount pursuant to Section 35ba, Subsection 1, Letter e) of the Act** – give the amount of CZK 16 140 annually, if you were entitled to hold a severely disability card. If the above condition was met for several calendar months in a tax period, reduce the tax by CZK 1 345 for every calendar month at the beginning of which the relevant conditions were met.

**row 42 Amount pursuant to Section 35ba, Subsection 1, Letter f) of the Act** – give the amount of CZK 4 020 annually, if you prepare for vocation on the basis of daily school attendance or training. This applies until 26 years of age or until completion of PhD studies which are provided at universities until 28 years of age. If this condition was fulfilled only in several calendar months in the taxable period, you decrease the tax by the amount of CZK 335 for each calendar month, at whose beginning was the condition fulfilled.

**row 43 Amount pursuant to Section 35ba subsection 1 letter g) of the Act** – give the applied tax relief for child placement in the organisation of preschool age children care. The tax relief can be applied in the amount of demonstrably incurred costs, maximally it can be applied CZK XX XXX for each children living with the taxpayer in a household.

For taxpayers defined in Section 2, Subsection 3 of the Act the tax for the tax period shall be reduced by amounts given on rows 37 up to 41 and the row 43 only if it is a taxpayer that is the tax resident of a member state of the EU and EEA, if is the total of his income from the sources in the Czech Republic (Section 22 of the Act) represents at least 90 % of all income, except for income which is not subject to tax pursuant to Section 3 or Section 6 of the Act, or which is tax-exempt pursuant to Section 4, Section 4a, Section 6 or Section 10 of the Act, or for income which is subject to withholding tax with a special rate.

**row 44 Total of Tax Relief under Section 35 and 35ba of the Act** (row 35 + row 36 + row 37 + row 38 + row 39 + row 40 + row 41 + row 42 + row 43) – give the total of tax relief that you claim pursuant to Section 35ba of the Act.

**row 45 Tax after Tax Relief pursuant to Section 35 and 35ba** (row 34 – row 44) – make calculation as instructed. If the result is negative number state zero in the row.

#### **Instructions to table no. 2**

##### **Information about children living in the household in a member state of the EU, EEA.**

If you are claiming tax relief pursuant to Section 35c of the act, provide information for every dependent child who meets conditions stated in pursuant to Section 35c, Subsection 6 living in the household. Into table state dependent child in case that you do not claim tax relief, into relevant column fill in zero. In column 1 give the surname and the name of the child, in column 2 give his/her personal identification number given at birth in the Czech Republic. In case the personal identification number was not given, state date of birth in format: day, month, year (DD.MM.YYYY). In columns 3, 4 and 5, give the number of calendar months during which the child was a dependant and for which you claim the tax relief. You do not have the claim in case if you apply tax relief pursuant to Section 35a or Section 35b of the Act. If you claim tax relief for more than four children, provide information on additional sheet of paper and attach to tax return. In the row "Total", give the total of months from columns 3 and 4 for all dependant children. The taxpayer stated in Section 2 subsection 3 can apply tax relief, only if he is the tax resident of a member state of the EU, EEA and if total incomes from sources in the Czech Republic (pursuant to Section 22 of the Act) are at least 90 % of all his incomes with exception of incomes which are not tax subject pursuant to Section 3 or 6 of the Act, or are tax exempted pursuant to Section 4, 4a, 6 or 10 of the Act, or incomes subject to withholding tax liable to tax withheld under a special tax rate.

**row 46 Tax Relief on the maintained child** – give the amount of tax credit pursuant to Section 35c of the Act. Claim to tax relief is CZK 15 204 per year for one child (CZK 1 267 monthly), CZK 22 320 per year for the second child (CZK 1 860 monthly) and CZK 27 840 for the third child and for each additional child (CZK 2 320 monthly). If the child is entitled to hold a severely disability card the tax credit doubles. Should more taxpayers maintain a child in one household, only one of them may apply tax relief in a taxable period or in the same calendar month of a taxable period. If is the second taxpayer, who maintained child with you in the household, employed submit Employer's Certificate of the second taxpayer for claiming tax relief in which the taxpayer states on which children and in what amount claiming tax relief. In the case that you do not submit such confirmation for reason that in household is no other taxpayer, who maintains children, mentioned in tax return, or the taxpayer is in household but he is not employed, state this fact to the free sheet.

**row 47 Tax Relief (amount from row 46 up to a maximum equaling the amount on row 45)** – give the amount of tax relief which you may claim as tax relief to the maximum amount of your tax liability on row 45.

**row 48 Tax after Tax Relief pursuant to Section 35c of the Act (row 45 – row 47)** – give the amount of tax after relief pursuant to Section 35c, i.e. from row 45 subtract row 47.

**row 49 Tax Bonus (row 46 – row 47)** – give the balance between tax credit and tax relief which represents a tax bonus. You may claim the tax bonus if terms set forth in Section 35c of the Act are met. The amount of tax bonus must be no less that CZK 100 and no more than CZK 60 300 per annum.

**row 50 The total of monthly tax bonuses pursuant to Section 35d of the Act** (including possible additional charge of tax bonus) – give the total of monthly tax bonuses which you received from the employer during the taxable period 2023. The information is to be found in "Certification" issued by individual employers. If you file a tax return and your annual account has already been performed at your employer, then in the Certification, model no. 31, it is sum of row 9 and additional payment of tax bonus from row 14.

**row 51 Tax Bonus Balance (row 49 – row 50)** – give the balance between the tax bonus and total of monthly tax bonuses received.

**Regarding Part VI  
Payment of Taxes**

**row 52 Total of Withheld Tax Advances from dependent activity and office-holders emoluments (after tax relief)** – give the total of withheld tax advances from dependent activity and office-holders emoluments (after tax relief) which were withheld by all employers. Do so pursuant to Section 5, subsection 4 of the Act (in model of the Certificate no. 31 it is the amount on row 8). In case of rendered annual accounting for a certain taxpayer's tax advances and tax credit, state the amount of withheld tax advances reduced for refunded overpaid from annual accounting.

**row 53 Tax Withheld pursuant to Section 36 Subsection 7 of the Act** – If you are the tax resident of the Czech Republic, fill in the amount of withheld income tax pursuant to Section 6 subsection 4 or of the Act and only in the case if incomes, from which the tax was withheld, are included in the tax return.

**row 54 Tax withheld pursuant to § 36 subsection 8 of the Act** – if you are not the tax resident, tax resident of a member state of the European Union or European Economic Area, fill in the amount of withheld income tax pursuant to Section 22 subsection 1 letter b), f) item 2 and g) item 6 of the Act and only in the case if incomes, for which the tax was withheld, are included in the tax return.

**row 55 rest to pay** – The amount greater than zero means that this amount is due as tax. The amount smaller than zero means that more than assessed was paid. The taxpayer may ask the tax administrator for a refund of the tax overpayment by filling out an application form attached to tax return.

**Attachments** – tax return contains attachments on provided forms. Give the number of sheets of attachments.