

Transposition of DAC 6 - current status

8th June 2020

- ▶ As you may all know, the Czech Republic is expected to implement the amendment of the EU Directive on administrative cooperation in the field of taxation (“DAC”)¹ associated with the mandatory automatic exchange of information in relation to reportable cross-border arrangements (“DAC 6”).²
- ▶ In mid-March 2019, a bill amending certain tax laws in connection with implementation of European Union (“EU”) legislation was published in a comment procedure and a modified version approved by the government was published in August 2019. This bill should, inter alia, transpose DAC 6 by amending the Act on International Cooperation in Tax Administration (“amendment”).
- ▶ This amendment was approved by the Chamber of deputies on 5 June 2020. The amendment still needs to be approved by the Senate, signed by the President and published in the Collection of law. It may thus still be subject to change.
- ▶ This amendment of the Act on International Cooperation in Tax Administration introducing DAC 6 should enter into effect on 1 July 2020.
- ▶ However, pursuant to a transitory provision, it will also apply to a reportable cross-border arrangement where the first step in its implementation was taken in the period from 25 June 2018 till effectiveness of this amendment. The report filing deadline for this transitory period is until 31 August 2020.
- ▶ We do not have any information yet on whether the Ministry of Finance intend to defer the start of DAC6 reporting by 6 months as we understand is currently being discussed at the EU level (based on unofficial information, the 6-month deferral has been pre-agreed but it is reportedly up to member states whether they utilize the deferral option).

We will continue to monitor the amendment for you. If you have any questions, please do not hesitate to contact your favorite tax advisor.

¹ <https://eur-lex.europa.eu/legal-content/CS/TXT/?uri=celex:32011L0016>

² <https://eur-lex.europa.eu/legal-content/CS/TXT/?uri=OJ:L:2018:139:TOC>



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