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Further remission of VAT on free-of-charge supplies

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In [Financial Bulletin No. 7/2020](#), the Ministry of Finance published a decision by which the Minister of Finance waives VAT on the free-of-charge supply of goods and services to (i) basic components of the Integrated Rescue System, (ii) the Army of the Czech Republic, (iii) health service providers or (iv) social services facilities.

Contrary to the previous waiver, this Decision applies to any goods or services, not just protective equipment or disinfectants. However, it is limited to the provision of supplies to the above-mentioned entities free of charge. The remission applies retroactively from 12 March 2020 until the end of the state of emergency. VAT payers thus have the opportunity to react quickly and reflect this change in the ordinary March VAT return, or to file a corrective March VAT return.

In addition to the Decision itself, [General Financial Directorate information](#) was also published, which specifies how these free-of-charge transactions are to be reported in VAT returns and other statements. Among other things, the information recommends VAT payers ask recipients to confirm receipt of a free-of-charge supply, indicating the date.



Stanislav Kryl

stanislav.kryl@cz.ey.com
+420 731 627 021



Jevgenija Bajžíková

jevgenija.bajzikova@cz.ey.com
+420 731 627 061