



Building a better
working world

GFD issued a methodical guideline on tax advances and withholding tax deferral

17th April 2020

The General Financial Directorate issued a methodical guideline ([here](#)) governing the deferral of advance payments for personal income tax from dependent activity and withholding tax payment in selected cases (e.g. other dependent activity of natural persons, non-resident income from independent activity, interest from loans and credits etc.). The taxpayer may apply for the deferral in justified cases relating to emergency measures adopted in connection with Covid-19.

This extraordinary guideline temporarily modifies the previous guidelines that disallowed the deferral in the above cases. The payments may be deferred until 30 September 2020 at the latest.

For the deferral period, the taxpayer is generally obliged to pay an interest from the deferred amount (CNB repo rate + 7%); the taxpayer may, nevertheless, also apply for a remission of the interest.

We will be happy to discuss the option of tax deferral in more detail and/or help you to prepare the application.

If you have any questions, please do not hesitate to contact the authors of the article or the EY tax team you regularly work with.



Jakub Majer

jakub.majer@cz.ey.com

+420 730 191 805