

VAT Flash

VAT Flash is an electronic newsletter prepared by PricewaterhouseCoopers Česká republika, s.r.o. to keep you up to date on the latest tax and legal news. A more complex look at key tax changes and their impact on your business is provided in our monthly newsletter, Tax & Business News.

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Czech Republic

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Important information relevant for all Czech VAT payers

Important information relevant for all Czech VAT payers was published recently. According to this information, the General Tax Directorate **is postponing the liability of VAT payers** for any VAT not paid by the supplier in case he makes a payment to an undisclosed bank account. The obligation is being postponed by six months.

Thus, provided the customer makes a payment for a supply to a supplier's undisclosed bank account before 30 September 2013, and the supplier does not pay the VAT from the supply effected, the customer does not become liable for the unpaid VAT. Originally, according to the Czech VAT Act, the customer should have been liable for the unpaid VAT since 1 April 2013.

Despite the postponement, Czech tax authorities are gradually processing the requests for disclosure of the bank accounts.

The disclosed bank accounts are available in the public registry of VAT payers accessible on the website of the Czech tax administration.

Information concerning e-invoicing was published last week as well. This long-awaited update concerns the rules for e-invoicing and e-archiving, as well as the rules for the conversion of paper invoices into electronic and vice versa. The update follows the implementation of the EU Directive EU/45/2010 into the Czech VAT Act as of 1 January 2013.

We will continue to update you on the details in this area.

