

# Tax & Business News

Tax, accounting, advisory and assurance newsletter

August|2009

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Dear Business Partners,

Welcome to the August edition of Tax&Business News in which we bring you updates and news from the area of tax, accounting and advisory.

Tucked away inside this issue of Tax&Business News is a brief article concerning an amendment to the Czech VAT Act. The amendment is needed to implement a number of changes being made to the VAT system at an EU level from 1 January 2010 - changes which are commonly being referred to as the "EU VAT Package".

So why do I draw particular attention to an article on VAT? The reason is that the intended changes to the VAT system are being heralded by many as the most significant since the completion of the European "Single Market" in 1993. The

changes will bring about a radical shift in the place where certain services are taxed, the introduction of additional reporting obligations for suppliers of cross-border services, and a complete overhaul of the system used for recovering VAT paid by businesses in other EU Member States. And, consequently, in response to these changes, businesses will have to reconsider their obligations for accounting for VAT on services – supplied and received - and make systems changes to ensure that accounting, reporting and invoicing obligations are met when the new rules come into force.

In the long term, for most businesses, the new rules will - as is the intention - make life easier. However, in the short term, those businesses affected will need to take timely action to ascertain their revised obligations and to make sure everything is in the place for the change-over at the end of the year. The article below provides practical suggestions as to what businesses might do now to determine their exposure to the 1 January 2010 VAT changes. My advice is that, as with all these types of changes, it is never too early for businesses to start planning their approach.

I hope you find the article on the "EU VAT Package", and all the other articles in this edition of Tax & Business News, helpful.

Yours sincerely,

Peter Skelhorn

Partner, Tax and Legal Services

## Deductions on social security insurance contributions

This article is an update of the information about a proposed amendment to the law on social security insurance contributions published in the April edition of Tax & Business News<sup>1</sup>. The law introducing a deduction on the social security insurance contributions was signed by the President on 7 July 2009 and is effective as of 1 August 2009.

The amount of the deduction on social security insurance contributions for each employee is calculated as 3.3% of the difference between 1.15<sup>×</sup> the average wage and the actual social security insurance assessment base of an employee. The maximum deduction amounts to 25% of the social security insurance assessment base of each employee.

The employer is entitled to apply the deduction to social security insurance contributions for each employee whose social security insurance assessment base is lower than 1.15<sup>×</sup> the average wage and whose employment lasts the whole calendar month.

### Deductions can be applied for from August 2009



From August 2009 until December 2010, the deduction on social security insurance contributions can be applied for. For the month of August, employers can also apply for an extraordinary deduction on social security insurance contributions. The extraordinary deduction is calculated as a sum of all "ordinary" deductions from social security insurance contributions for the period January to July 2009. The

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deductions for employees can only be applied until the due date for payment of social security contributions for the month for which the deduction applies (i.e., until the 20th day of the following month), and the deduction cannot be applied retrospectively. The extraordinary deduction on insurance contributions must also be applied by 20 September 2009, or the entitlement for deduction expires.

If the employer applies for deductions, a special form must be filled out. This form is accessible on the CSSZ website through the following link [www.cssz.cz/tiskopisy](http://www.cssz.cz/tiskopisy).

For more information regarding the deduction and extraordinary deduction on social security insurance contributions please contact:

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<sup>1</sup>Tax and Business Archive may be found at our web/site [www.pwc.cz/tbnen](http://www.pwc.cz/tbnen)

## EU VAT Package in the Czech Parliament

As previously confirmed by us in VAT Flash<sup>2</sup>, the Value Added Tax Act is due to be amended on 1 January 2010 to accommodate changes required by what is popularly being referred to as the "EU VAT Package". The amendment was approved by the Czech Government on 13 July 2009 and then passed to Parliament. The amendment should be discussed in the next session of Parliament.

**The proposed amendment to the Value Added Tax Act changes above all the following areas:**

- the rules for determining the place of supply of certain services
- it introduces additional reporting obligations in the form of EC Sales Lists for services where the place of supply is outside of the Czech Republic
- the procedures for refunds of Czech VAT paid by companies from other EU Member States

To help companies manage the proposed VAT changes, PricewaterhouseCoopers has prepared an EU VAT Package implementation programme.

**The programme includes:**

- one-to-one meetings with companies regarding the VAT changes and their practical impact
- tailor-made training of your employees
- assistance with setting new VAT codes and introducing them into a company's accounting systems

For more information about the EU VAT Package or PricewaterhouseCoopers implementation programme, please contact:

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<sup>2</sup>April issue of VAT Flash may be found in Tax and Business News, VAT Flash and Tax Flash archive at [www.pwc.cz/tbnen](http://www.pwc.cz/tbnen)

## ... ECJ Corner

### Kloosterboer Service BV – Computer components liable to nil duty rate

The ECJ has issued an unexpected decision concerning the classification of cooling systems for computers in the Combined Nomenclature and related customs duty rate applicable. The ECJ has ruled that cooling systems for computers composed of two distinct elements, namely a heat sink and a fan, are essential for the operation of the computers for which they are intended, and are therefore capable of being regarded as parts for computers, and liable to a nil rate of duty. For the application of the nil rate of duty, the cooling systems must be classified under subheading 8473 30 90 of the Combined Nomenclature.

Based on the ECJ decision manufacturers of such cooling systems may now be entitled to claim a refund of duty paid on past importations. However, claims will be capped at three years and therefore urgent action is recommended.

There may also be an opportunity to use this decision to reclassify other computer parts to a non-dutiable heading.

In case of your interest in a possible retrospective refund claim of duty paid in past upon importation of the goods concerned, or in taking the opportunity to reclassify computer parts for future importations, please contact our specialists:

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## The statutory limit for tax assessment is in the game again

On July 2009 the 5th chamber of the Supreme Administrative Court forwarded to the extended chamber of the Supreme Administrative Court a case regarding the legal question of the statute of limitations for tax assessments.

The 5th chamber is convinced (in contradiction with the opinion maintained by the Constitutional Court) that there is a need to distinguish between two different moments of the commencement of the 3 years statutory limit for tax assessments.

The first is associated with the tax liability itself (the so called 0+3 rule), the second with the deadline for filing of the tax return (the so called 1+3 rule).

The chamber stressed that in the case that the statutory limit for the tax audit commences with the tax liability (0+3 rule maintained by the Constitutional Court), the tax office has for a certain part of the time limit no possibility to verify the tax liability of the taxpayer. This happens due to the fact that the taxpayer submits the tax return after the end of the taxation period (e.g. in the case of income taxes in the third, or in the sixth month after the ending of a tax period). Therefore, the 0+3 rule should be used only in case when the tax liability arises without the concurrent duty to file the tax return (e.g. in the case of withholding tax). Furthermore, the 5th chamber emphasized that it is not possible to justify the general application of the 0+3 rule by using the principle "in the case of doubts in favor of the taxpayer", as the length of the statutory limit can also have a negative impact on the taxpayer's rights (e.g. the impossibility to file an additional tax return after the lapse of the time limit).

Using the above mentioned arguments, the 5th chamber confronted the legal opinion of the Constitutional Court issued at the end of the last year which held on the unconstitutionality of the 1+3 rule. If the extended chamber confirms the decision of the 5th chamber there will be two different legal opinions related to the commencement of the statutory limitation for tax assessments, i. e. the opinion of the Supreme Administrative Court and the opinion of the Constitutional Courts. We are of the view that the opinion of the Constitutional Court should prevail.

In the meantime, the Constitutional Court's opinion (0+3 rule) was already reflected in the amendment of the Administration of Taxes Act and due to the absence of transitional provisions will be used also for lapsed tax periods

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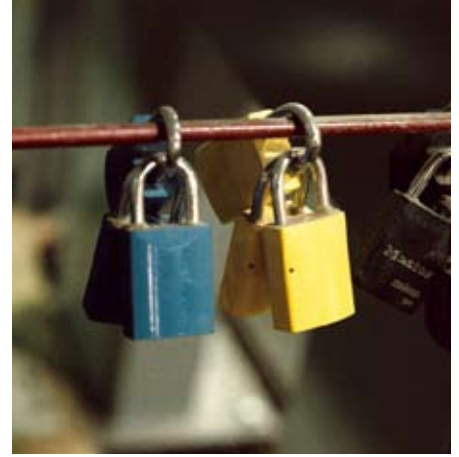
## VIIES against tax frauds

The European Commission has improved VIIES, a system which enables the validity of a VAT number quoted by a company VAT registered in an EU Member State to be checked.

A "Consultation Number" may now be obtained by any user of VIIES, in addition to information about the validity of the checked VAT number. This number is a unique code generated for each specific inquiry; for example, an inquiry made by a particular user as to the validity of a particular VAT number. This function enables a retrospective check to be made as to whether a user checked the validity of a VAT number of another company and when this happened. Such a check by the Authorities can significantly contribute to proving whether a VAT payer has not intentionally participated in fraudulent EU cross-border transactions.

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## Super-accelerated depreciation and leasing in practise

The Income Taxes Act amendment<sup>3</sup> introduces the so-called super-accelerated depreciation and super-accelerated financial leasing for property in the first and second depreciation group as measures against the economic crisis. This amendment includes some problematic regulations that can cause confusion to taxpayers.

One of the conditions for the application of the new regime is to acquire the property during the period from 1 January 2009 until 30 June 2010. Contrary to the beginning of depreciation, it is not important when the property is put into use. On the one hand, this condition does not enable the super-accelerated depreciation, leasing to be applied for property acquired until the end of 2008 although it is put into use after 31 December 2008. On the other hand, it enables the depreciation of the property put into use after 30 June 2010 if the condition of acquisition is fulfilled by 30 June 2010.

In particular, the situation of property acquired by own activities but from purchased components remains unclear. Strictly interpreted, it can be concluded that for the purposes of super-accelerated depreciation/leasing no component of the property newly put into use can have been acquired before 1 January 2009 or after 30 June 2010. As the Act does not define the term "acquisition" the interpretation commonly used for bookkeeping where it corresponds to the moment when the item is recorded into the accounts can be used...

In case of super-accelerated leasing, the parallel fulfilment of conditions for current leasing (in particular the minimal length of leasing of three years for the first depreciation group and five years for the second depreciation group) and for new super-accelerated leasing (the minimum length of 12 or 24 months) causes problems. This is apparently a drafting issue only and by logical interpretation it can be concluded that only the latter condition for the new super-accelerated leasing should be met.

Furthermore, property depreciation under the super-accelerated method is one of the conditions for tax-deductibility of the lease fee. This means that the lessee needs to be the first owner of the leased property. For that reason, it is able to include into the lease contract the lessor's declaration that he uses the super-accelerated depreciation method for his property.

According to the transitional provisions, it is possible to use super-accelerated leasing only for contracts concluded as of the date of legal effect (i.e. from 20 July 2009) until 30 June 2010. Nevertheless, in the case of super-accelerated depreciation it is still not evident if the depreciation can be used retrospectively for the property acquired and put in use from 1 January 2009 until 19 July 2009 or only to property acquired after 1 January 2009 which has been put in use subsequently to the date of the Act's effectiveness, i.e. 20 July 2009.

If you need to obtain more information about super-accelerated depreciation and leasing, please contact:

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<sup>3</sup>No. 216/2009 in Collection of laws

## The new publication "IFRS and Czech GAAP – Similarities and Differences" was issued

A group of PricewaterhouseCoopers consultants has prepared the new issue of the study comparing two accounting frameworks: The International Financial Reporting Standards (IFRS) and Czech Accounting Standards. The publication provides a summary and analysis of similarities and differences between IFRS (as at June 2008) and Czech GAAP (as at 1 January 2009). You can find the English version of the publication at our web-site [www.pwc.cz](http://www.pwc.cz) in the section IFSR

publications. The Czech translation of the publication is being prepared at the moment.



For more information on similarities and differences between IFRS and Czech GAAP please contact:

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## The Ministry of Finance expresses its opinion on some important tax topics

Within the scope of the Coordination Committee, the Ministry of Finance has given its opinion on some important tax topics.

### Simplification in the tax deductibility of costs for international hiring out of labour

Costs related to persons working for Czech companies based on an international hiring out of labour arrangement have the same tax regime as the costs for their own labour force. For income tax purposes, both the companies' own employees and the hired foreign employees are included under the legislative definition "employee". Consequently, any uncertainty related to the tax deductibility of relevant costs is eliminated and enables Czech companies to bear their expenses directly and not through the payment to the foreign entity hiring out the employees.

### In-kind capital contributions in the form of a share in a Czech company is not Czech-sourced taxable income

In the case of a non-monetary contribution to a foreign entity performed by another foreign entity in the form of a share in a Czech company, no taxable income arises for the contributing foreign investor in the Czech Republic. This clarification arose as a reaction to the Income Tax Act amendment effective as of 1 January 2009. This Income Tax Act amendment

includes the income from the transfer of shares in a company or in a cooperative seated in the Czech Republic into the definition of Czech sourced income. However, the new regulation may still generate uncertainty in respect of its practical application, e.g., in the case of repo-operations or transfer of custodial shares in Czech companies.

### Non-starting of time depreciation can be a threat to its later application

Within the discussion on the tax questions related to the income tax exemption for ecological energy sources (e.g., small hydroelectric power plants, solar and wind power stations), the Ministry of Finance disputed the possibility to delay the start of so-called time depreciation according to Section 30 of the Income Tax Act in the case of temporary buildings (i.e., buildings with a limited period of use). The Ministry's view is that if a taxpayer postpones the start of depreciation, it is no longer possible to apply this depreciation at a later stage. As the depreciation of assets related to ecological energy sources is regulated by the general depreciation provisions, the Ministry's opinion can influence all taxpayers who use the time depreciation method and opt to postpone its start. As the person who requested clarification does not agree with the Ministry's opinion, final dispute resolution is a question of a prospective tax or judicial proceeding

### Reclassification of excess interest into dividends is not always necessary

According to the Income Tax Act, tax non-deductible excess interest under the thin capitalization rules is deemed to be a dividend for tax purposes. However, under double tax treaties, this regime is not valid for all countries. The Ministry expressed the opinion that in relation to other EU Member States this attitude does not breach EU law, including the case-law of the European Court of Justice. For this reason, the Ministry will reject all requests for refund of incorrectly applied withheld tax relating to this "dividend" based on the conflict between the Czech Income Tax Act and EU law. Although an amendment effective as of 20 July 2009 removes this requalification in relation to EU and EEA Member States, the problem remains in relation to non-treaty countries and to treaty countries when the interest and dividend definitions enable this requalification (e.g., the new protocol to the Czech-Russian Agreement effective as of 2010 explicitly enables this requalification).

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<sup>4</sup>Decision C-105/07 Lammers & N.V. v. Belgische Staat

## IFRIC 13 – Customer Loyalty programmes

In this issue of Tax and Business News we would like to explain in more detail the interpretation of IFRIC 13 that was issued by the International Financial Reporting Interpretations Committee.

This interpretation addresses accounting for customer loyalty programmes and entities shall apply this interpretation for annual periods beginning on or after 1 July 2008.

Entities often grant the customer award credits for purchases of goods or services. Loyalty credits can be redeemed by the customers in the future for free or discounted goods or services. IFRIC 13 addresses the issues on how to account for the obligation to provide awards in the future and when the revenue should be recognised and how the revenue should be measured. If the reporting entity realises sales transactions in which the award credits are granted ("the initial sale"), the part of the consideration from the initial sale has to be allocated to the award credits and deferred. Deferred revenue will be recognised in profit or loss in a future reporting period based on their realisation (according to IAS 18, par. 13). The consideration allocated to award credits is measured by reference to their fair value, i.e. the amount for which the award credits could be sold separately. When the awards are exchanged for goods or services, the revenue is recognised in the amount equal to the proportion of the amount of credits redeemed to total credits issued by the entity.

Let's have a look at a simplified example to demonstrate the situation. In total, the entity allocated ten thousand credits for purchases up to the 2009 year-end. Credits can be redeemed by the customers for certain free goods in future years after the credits equal to certain limit. The initial sale amounted to CZK 500 thousand, from which the amount of CZK 100 thousand was allocated to award credits. Customers redeemed 6 thousand credits for free goods in 2010, four thousand credits in 2011. The accounting entries will be as follows:

- 2009: Revenues of CZK 400 thousand; deferred revenue of CZK 100 thousand
- 2010: Recognised revenue of 100 thousand/10 thousand x 6 thousand = CZK 60 thousand
- 2011: Recognised revenue of CZK 40 thousand

If a third party supplies the awards and the reporting entity is collecting the consideration on behalf of the third party (as an agent for the third party), revenue is recognised as the net amount retained on the agent's own account (i.e. the difference between the consideration allocated to the award credits and the amount payable to the third party for supplying the awards) at the moment when the third party becomes obliged to supply the awards and entitled to receive the consideration for doing so.

The full recognition of revenues from the initial sale and providing for the estimated future costs of supplying the awards, used by some before IFRIC 13 is not allowed by the interpretation.

For consultation on topics stated above, please contact our experts:

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## Additional financial instruments disclosures required re: fair value measurement

New amendments to IFRS 7 were issued in March 2009 - effective date: „Annual periods beginning on or after 1 January 2009“. Therefore it is important for you to consider these changes now to ensure that you are able to meet the new requirements in 2009. The amendments were issued in response to criticism about the quality of the disclosures around financial risk and, in particular, on the lack of transparency around the way in which fair values were determined for illiquid instruments. The amendments require enhanced disclosures about fair value measurements and the liquidity risk of financial instruments.

### Amendments to Fair Value Disclosures

To make the required disclosures, financial assets and liabilities that are carried at fair value (i.e. those classified as trading / other fair value through profit and loss / available-for-sale) will need to be classified **for disclosure purposes only** using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. It's important to note that this is not the fair value measurement hierarchy used under IAS 39 - nothing in the amendment to IFRS 7 affects the way we measure fair values, for the moment IAS 39 remains the key driver of that.

The new approach requires classification into 3 levels based on how fair value has been determined:

- Level 1** – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2** – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly i.e. derived from prices); and
- Level 3** – material inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Having established the hierarchy, the standard requires a number of detailed disclosures around this, including the carrying amount of financial instruments in each level of the fair value disclosure hierarchy, which could be done like this:

Assets measured at fair value				
	Fair value measurement at end of the reporting period using:			
		Level 1	Level 2	Level 3
Description	31 December 20x2	CZK	CZK	CZK
		million	million	million
<b>Financial assets at fair value through profit or loss</b>				
Trading securities	100	40	55	5
Trading derivatives	39	17	20	2
Available-for-sale financial assets				
Equity instruments	75	30	40	5
<b>Total</b>	<b>214</b>	<b>87</b>	<b>115</b>	<b>12</b>

(Note: For liabilities, a similar table might be presented.)

### Amendments to Liquidity Risk Disclosures

These have arisen more as a result of practical problems preparers experienced in implementing IFRS 7. Consequently the definition of liquidity risk has been amended to clarify that it applies only to financial liabilities that will result in the outflow of cash or another financial assets, and the treatment of derivatives and issued financial guarantees has been clarified. The IASB (International Accounting Standards Board) has also emphasised the need to explain clearly the way in which liquidity risk is managed and, in particular, the relationship between the quantitative disclosures and the way in which the liquidity risk is actually managed. So, for example, there is now an explicit requirement for a maturity analysis to be presented for financial assets if that information is necessary to allow a proper evaluation of the nature and extent of liquidity risk. This would be the case for banks and insurance companies, for example, where financial assets are held to generate cash inflows, either from sale or maturity, to manage liquidity exposures on financial liabilities.

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## Mining industry: Flexibility and close eye on costs are the key success factors according to PricewaterhouseCoopers report

This sixth edition of Mine, the annual report reviewing global trends in the mining industry, says that despite the impact of the downturn, the results for the year to 31 December 2008 were strong, but operating costs continue to erode profit margins which presents a tough road ahead, requiring companies to control costs and be flexible. This report provides a comprehensive analysis of the financial performance and position of the global mining industry as represented by the largest Top 40 mining companies by market capitalisation.

Last year PricewaterhouseCoopers posed the question whether it was 'as good as it gets?' This year started where 2007 left off and threatened to answer the question with a resounding 'no'. Companies in the industry benefitted from strong commodity prices. Despite the strong financial results, 2008 was definitely a year of two parts with the good times quickly turning bad as the global economic crisis took hold in the last quarter and commodity prices went into freefall.

**Jiří Halouzka, Advisory Services Partner, PricewaterhouseCoopers Czech Republic, comments on the Czech market situation:**

"Czech mining companies are dealing with similar trends as the global ones. They have to watch carefully their costs, optimize the number of their employees, close unprofitable operations and reduce their investments. They are significantly dependent on the demand of local steelworks, which are manufacturing far below under their potential at the moment."

The rapid fall in market capitalisation and increased debt levels for some of the Top 40 has created two distinct groups; the 'haves' and the 'have nots'. Nothing is currently more valuable than cash and for cash rich companies, opportunities exist as asset values fall for acquisition or organic growth, indeed, potential to 'bag a bargain' is high if quality assets come up for sale. For those without cash, opportunities are limited and the focus is on managing through the downturn.

Full length of the report Mine is available at our web-page [www.pwc.com/cz/en](http://www.pwc.com/cz/en) in section Publications - [Surveys & Analysis](#).



## No place to hide from the digital revolution

Over the next five years, digital technologies will become increasingly widespread across all segments of entertainment & media (E&M) as the digital migration continues to expand according to the PricewaterhouseCoopers Global Entertainment & Media Outlook 2009-2013. Though the current economic downturn has, without doubt, impacted virtually every sector of the E&M marketplace it has also accelerated and intensified the digital migration among both providers and consumers of content.

The global (E&M) as a whole, including both consumer and advertising spending will grow by 2.7% compounded annually for the entire forecast period to \$1.6 trillion in 2013. Initially we expect to see a 3.9% drop in 2009 and a mere 0.4% advance in 2010, with a period of much faster growth during the remaining period to 7.1% in 2013. What we are sure about is that this recession will last longer than previous ones due to a steeper downturn and that the impact on consumer spending will be much steeper than in the past. E&M is not immune to that trend - consumer spending in E&M will fall by a projected 1.2% in 2009, remaining weak in 2010 and seeing only relatively low growth at 3.2% in 2011.

### The Czech market

The Czech E&M market will grow by 3% annually for the entire forecast period. The highest growth rate will be in the Czech internet and mobile market thanks to increasing advertisement revenues and growing internet penetration.

TV advertising will continue being the greater contributor to the Czech media market. Increasingly higher portion of the market growth will also be captured by dynamically growing "on-line" advertising.

The video games and mobile phone applications market will be the fastest segment of the E&M market with cumulated growth of more than 9% for the period from 2009 to 2013; however, the size of this market can hardly reach the size of TV advertising market.

**Zdeňka Gořalíková, Senior Manager responsible for the E&M, PricewaterhouseCoopers Audit, said:**

"The Czech media market in its process of digitalisation has been hit by the economic crisis; however, continuation of the process is crucial for the further development of the market. Further technical development, in particular high-definition (HD) and 3D broadcasting formats, will be greatly favoured by final customers."

You may obtain more information about this fast developing industry in Global Entertainment & Media Outlook 2009-2013 available at our web-site from the home-page [www.pwc.com/cz/en](http://www.pwc.com/cz/en) in the section Publications - [Surveys & Analysis](#).

## European IPO markets remain largely closed as secondary issues absorb investors' funds

Europe's Initial Public Offering (IPO) markets have endured another poor quarter with just 28 new listings in the three months up to 30 June, although the €456m raised was a huge improvement over the €9m recorded in the first quarter of the year, according to the latest PricewaterhouseCoopers IPO Watch Europe survey. IPO activity continued to suffer from the global loss of confidence in the capital markets and the fact that there has been pressure on investors to put their money into listed companies looking to strengthen their balance sheets through secondary offerings.

The survey, which tracks the volume and value of IPOs around Europe, shows that, although volumes and values in the April-June period were well up on the first quarter, they still lagged way behind the second quarter of 2008 when there were 133 listings raising €9,171m. The four largest IPOs of the quarter accounted for 88% of the total money raised.

"Although we observe some favourable development in the second quarter of 2009, we still can't assume that the markets are healthy and back to its usual activity. There are some early signs of companies thinking about preparing for listing. Given the fact that it typically takes six months to prepare for an IPO, we are sticking to our forecast that the IPO markets will not return until the second quarter of 2010", concluded **Petr Podlipný**, financial markets expert at PricewaterhouseCoopers.

The IPO Watch Europe 2Q 2009 report is available at our web-site page [www.pwc.com/cz/en](http://www.pwc.com/cz/en) in the section Publications - [Surveys & Analysis](#).

### Events...

PricewaterhouseCoopers and Taipei Economic and Cultural Office in Prague would like to invite you to a seminar for Taiwanese companies doing business in the Czech Republic:

### Update of the Czech Tax legislation with focus on Tax optimization for Taiwanese companies

The seminar will take place in Prague: 18 August 2009

The seminar will take place in Brno: 19 August 2009

Both seminars will be conducted in English. The participation is free of charge. You may find more detailed information about the seminar agenda and registration at our web-site in [Events](#) section.



### Future Events...

#### Tax Up-date seminary

For its clients, PricewaterhouseCoopers will on **30 October 2009** organize a tax seminar Tax Up-date. The seminar will introduce you the most important amendments which arose in particular taxes during the 2009 year or that will apply from the 2010 year. Attendance is free of charge. For more details see please the next issue of [Tax & Business News](#).





# Business Academy

by PRICEWATERHOUSECOOPERS 

For autumn 2009, PwC Business Academy is preparing another set of educational seminars focused on various topics important to our clients.

We would like to invite you to see the quality of our programmes for yourself and learn from the expertise of our trainers.

For more details about our seminars, please see our website [www.pwc.cz/academy](http://www.pwc.cz/academy).

From the tax and legal area, you can find the following in our offer:

Transfer pricing	13 – 14 October 2009
VAT package	5 November 2009
Employment of EU citizens and foreigners	25 – 26 November 2009

## EU funding for Developing your people.

Do you know that you have a chance to ask for funding for professional development of your employees?

On 1 July 2009, CzechInvest announced a global grant called EDUCA which is focused primarily on specific education that employees require for their professional careers. This grant offers companies the opportunity to train and develop their employees, using financial support from CzechInvest. This grant is meant for companies located outside Prague.

Let PwC Business Academy help you get funds to develop your people. We know how to prepare a tailored programme best suited to your special needs and, at the same time, be a company eligible for EU funds.

Here are some examples of what you can focus on:

- Set of certified programmes from the tax area
- Qualification ACCA Diploma in IFRS (DipIFR)
- Set of certified programmes for Internal Auditors
- Leadership skills in difficult times

Find out more from PwC Business Academy and express your interest by sending us an email to [business.academy@cz.pwc.com](mailto:business.academy@cz.pwc.com).

More information about the grants can be found at [www.czechinvest.org/globalni-grant-educa](http://www.czechinvest.org/globalni-grant-educa).



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This Tax & Business News is produced by PricewaterhouseCoopers' tax department in co-operation with Ambruz & Dark, advokáti, v.o.s., a Law Firm associated with PricewaterhouseCoopers.

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