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## **Act No. 353/2003 concerning excise taxes**

### **Section 15**

#### **Tax refund entitlements of persons enjoying privileges and immunities**

(1) For the purposes of this Act, persons enjoying privileges and immunities under the treaties that are part of Czech legislation (hereinafter referred to as “persons enjoying privileges and immunities”) include:

(a) diplomatic missions and consular posts, with the exception of consular posts headed by honorary consular officers (hereinafter referred to as “consular posts”), accredited to the Czech Republic as organs of foreign States,

(b) special missions,

(c) representations of international organizations,

(d) organs of the European Union,

(e) members of diplomatic missions and consular posts having their seat in the tax territory of the Czech Republic who are accredited to the Czech Republic but not permanently resident in its tax territory, with the exception of members of the service staff and private servants,

(f) officers of representations of international organizations who are not permanently resident in the tax territory of the Czech Republic and are not nationals of the Czech Republic and are posted to the tax territory of the Czech Republic for the purpose of their official duties, and foreign nationals who are members of special missions accredited to the Czech Republic and are not permanently resident in the tax territory of the Czech Republic,

(g) members of the family of any of the persons referred to in (e) and (f), provided that they form part of such person’s household in the tax territory of the Czech Republic, have reached the age of 15 years, are not nationals of the Czech Republic, and are registered with the Ministry of Foreign Affairs.

(2) The paid tax shall be refunded:

(a) to the persons having their seat in the tax territory of the Czech Republic, as listed in paragraph 1 (a) and to their members referred to in paragraph 1 (e) including the latter’s family members referred to in paragraph 1 (g), on the basis of the principle of reciprocity, to an extent not exceeding the extent of the tax refund entitlements of Czech persons enjoying privileges and immunities in the respective foreign State,

(b) to the persons having their seat in the tax territory of the Czech Republic, as listed in paragraph 1 (a), in whose sending State taxes are not included in the prices of goods and services, up to the amount of CZK 2,000,000 in a calendar year, to the members of the diplomatic missions and consular posts referred to in paragraph 1 (e) up to the amount of CZK 100,000 in a calendar year, and to their family members referred to in paragraph 1 (g) up to the amount of CZK 50,000 in a calendar year,

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(c) to the persons referred to in paragraph 1 (a) that are accredited to the Czech Republic but have their seat outside the tax territory of the Czech Republic, up to the amount of CZK 250,000 in a calendar year,

(d) to the persons referred to in paragraph 1 (e) who are accredited to the Czech Republic but permanently resident outside the tax territory of the Czech Republic, up to the amount of CZK 10,000 in a calendar year,

(e) to the persons referred to in paragraph 1 (b) and (c) up to the amount of CZK 500,000 in a calendar year, unless provided otherwise in an international treaty published in the International Treaties Bulletin (“Sbírka mezinárodních smluv”),

(f) to the persons referred to in paragraph 1 (d) without any limitations;

(g) to the persons referred to in paragraph 1 (f) , including their family members referred to in paragraph 1 (g), up to the amount of CZK 100,000 in a calendar year, unless provided otherwise in an international treaty published in the International Treaties Bulletin.

(3) The amount of the tax that would be levied on the selected products that are exempted from the tax according to Section 11, paragraph 1 (a) or (e) and moved from another Member State or imported for the use of persons enjoying privileges and immunities who claim a tax refund in the tax period to which the claim relates shall be counted towards the tax refund limit set in paragraph 2.

(4) In an annex to the completed tax returns of the persons referred to in paragraph 2 (a), the Ministry of Foreign Affairs shall confirm compliance with the principle of reciprocity in terms of eligible goods and the minimum and maximum value of eligible purchases; the annex shall form an integral part of the tax return.

(5) Persons enjoying privileges and immunities, as listed in paragraph 1, shall be entitled to claim refunds of the paid tax no sooner than in the tax period in which the selected products were purchased at prices that included excise taxes. The tax refund entitlements of such persons shall become null and void at the end of 31 January of the calendar year following the calendar year in which the selected products were purchased; this shall not apply to the persons enjoying privileges and immunities referred to in paragraph 1 (d). The persons enjoying privileges and immunities referred to in paragraph 1 (a)-(d) shall be entitled to claim refunds of the tax paid on selected products purchased solely for the purposes of the performance of the official functions of such persons. The persons enjoying privileges and immunities referred to in paragraph 1 (e)-(g) shall be entitled to claim refunds of the tax paid on selected products purchased solely for their own use and consumption.

(6) The persons enjoying privileges and immunities referred to in paragraph 2 (a) shall get refunds of the tax paid on selected products if the price of the selected products, paid to one seller on one calendar day and indicated on one sales note in terms of paragraph 8, is within the limit set on the basis of the principle of reciprocity. Other persons enjoying privileges and immunities, as listed in paragraph 1, shall be refunded the tax paid on selected products if the price of the selected products paid to one seller on one calendar day and indicated on one sales note in terms of paragraph 8 is more than CZK 4,000 including tax. This restriction shall not apply to purchases of mineral oils used as motor vehicle fuel or for heating.

(7) The tax refund entitlement shall be proved by presenting a tax document or a sales note in terms of Section 5, unless provided otherwise in this Act.

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(8) In case the amount of purchased products exceeds the amount set out in Section 4, paragraph 5, the sales note that must be issued by the seller, on request, not later than on the working day following the date of the request, shall contain the following:

(a) the seller's company or business name, registered office and tax ID,

(b) the purchaser's name,

(c) the description and amount of the selected products,

(d) the date of issue of the sales note,

(e) the date of the sale,

(f) the tax rate,

(g) the amount of tax,

(h) the total price including tax.

(9) Persons enjoying privileges and immunities shall claim tax refunds in a tax return using the tax return form prescribed by the Ministry of Finance. The tax return shall be filed once in a tax period, no sooner than on the first day following the end of the first tax period in a calendar year and no later than on 31 January of the next calendar year; this shall not apply to the persons enjoying privileges and immunities referred to in paragraph 1 (d). After this date, no tax returns, including supplementary tax returns, can be filed to claim tax refunds for the past period. The persons enjoying privileges and immunities referred to in paragraph 1 (d) shall file their tax returns no sooner than on the first day following the end of the calendar year in which the tax refund entitlement accrued. Persons enjoying privileges and immunities who do not claim any tax refunds in a tax period shall not file any tax returns for the tax period.

(10) For the purposes of tax refunds, persons enjoying privileges and immunities shall have the procedural status of taxable persons without the obligation to register.

(11) The tax period shall be a calendar month for the persons enjoying privileges and immunities referred to in paragraph 1 (a)-(c), a calendar year for the persons enjoying privileges and immunities referred to in paragraph 1 (d), and a calendar quarter for the persons enjoying privileges and immunities referred to in paragraph 1 (e)-(g).

(12) For the purpose of tax refunds, persons enjoying privileges and immunities shall file their tax returns as follows:

(a) the diplomatic missions or consular posts referred to in paragraph 1 (a) and the special missions referred to in paragraph 1 (b) having a seat in the tax territory of the Czech Republic shall file their tax returns with the tax administrator who has jurisdiction over the place where their seat is located in the tax territory of the Czech Republic,

(b) members of resident diplomatic missions, special missions and consular posts having a seat in the tax territory of the Czech Republic, including their family members, shall file their tax returns with the

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tax administrator who has jurisdiction over the place where the seat of the persons referred to in (a) is located in the tax territory of the Czech Republic,

(c) the representations of international organizations referred to in paragraph 1 (c) shall file their tax returns with the with the tax administrator who has jurisdiction over the place where their seat is located in the tax territory of the Czech Republic,

(d) organs of the European Union having a seat in the tax territory of the Czech Republic shall file their tax returns, through the Ministry of Finance, with the tax administrator who has jurisdiction over the place where their seat is located in the tax territory of the Czech Republic,

(e) the officers of representations of international organizations referred to in paragraph 1 (f), including their family members, shall file their tax returns with the tax administrator who has jurisdiction over their place of residence in the tax territory of the Czech Republic,

(f) the diplomatic missions or consular posts referred to in paragraph 1 (a) having a seat in another Member State, including their members referred to in paragraph 1 (e), shall file their tax returns with the tax administrator who has jurisdiction over the territory of the Capital City of Prague,

(g) organs of the European Union having a seat in another Member State shall file their tax returns, through the Ministry of Finance, with the tax administrator who has jurisdiction over the territory of the Capital City of Prague,

(h)the persons referred to in paragraph 1 (e) and (f) shall filed tax returns on behalf of their family members.

(13) Persons enjoying privileges and immunities, with the exception of the persons referred to in paragraph 1 (d), shall receive refunds of the paid tax within 30 days from the date on which the refund was assessed. If the tax return is incomplete or if there are doubts about the correctness, veracity and evidentiary value of the tax return, the tax administrator shall request the person enjoying privileges and immunities to correct the mistakes or clear up the doubts within a deadline set by the tax administrator. The tax administrator shall not refund the tax unless the mistakes are corrected or doubts concerning the tax return cleared up.

(14) The persons enjoying privileges and immunities referred to in paragraph 1 (d) shall be refunded the paid tax within 6 months from the last day of the month in which the competent tax administrator received the tax refund application.

(15) The persons referred to in paragraph 1 who have claimed a tax refund under this provision cannot claim the tax refunds referred to in Sections 14, 15a, 54 and 56a for same selected products.

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## **Section 11**

### **Tax exemptions**

(1) Tax exemptions shall be granted for

(a) selected imported products, if covered by exemptions on goods occasionally imported in the personal luggage of travellers and aircrew members and on motor vehicle fuel imported by travellers in accordance with the act concerning the value-added tax, and by customs duty exemptions, with the exception of selected products reimported to the tax territory of the Czech Republic after temporary export and released into free circulation,

(b) purchased on a tax-free basis during the state of national emergency or the state of war, if ordered by the Government pursuant to Section 137,

(c) repealed

(d) imported or moved into the tax territory of the Czech Republic from the territory of another Member State and intended for the armed forces of the member countries of the North Atlantic Treaty Organization, with the exception of the armed forces of the Czech Republic, for the use of these forces or of the civilian staff accompanying them, or for supplying their messes and canteens; these products can be moved from another Member State or from the place of import in the tax territory of the Czech Republic only if they are accompanied by an excise duty exemption certificate drawn up in accordance with the model and format laid down in the applicable regulation of the European Union,

(e) moved from the territory of another Member State and intended for the persons referred to in Section 15, paragraph 1; these products can be moved from another Member State only if accompanied by the documents referred to in Sections 27 or 27c and by an excise duty exemption certificate drawn up in accordance with the model and format laid down in the applicable regulation of the European Union,

(f) imported from third countries, if the selected products are exempted from the value-added tax within the limits and under the conditions laid down by international treaties concluded with these countries,

(g) imported by international organizations or their members, if the selected products are exempted from the value-added tax within the limits and under the conditions laid down by international conventions establishing such organizations or by headquarters agreements.

(2) In case a legal or natural person purchases selected excise products and uses them for purposes covered by an excise duty exemption, the selected products shall be deemed, for the purposes of this Act, to have been acquired at pre-excise prices.

(3) The exempted selected products referred to in paragraph 1 can be received and used without an authorization to receive and use exempted products.