

bnt journal

CZECH REPUBLIC

■ WHAT WILL HAPPEN TO „HERITAGE“ COMPANIES AFTER 1 JANUARY 2014?

Companies which have come into existence on or before 31 December 2013 will have to deal with a wholly new legal framework (i.e., the New Civil Code and the Corporations Act). In this respect, they avail of two options – either they expressly submit to the new rules wholesale, or they let themselves be governed in parts by previous legislation and in parts by the new rules. The latter option is associated with substantial legal uncertainty, which is why we consider it to be the best course of action to fully submit to the new laws. One should also note that the rules of remuneration of executives (managing directors) and board members (of executive and supervisory boards) must be adjusted to reflect the new rules no later than by 1 July 2014 – or else those who hold such offices will do so for no consideration. [More here](#)



NEW ACT ON PUBLIC REGISTERS

■ As of 1 January 2014, the “Register Act” will govern the Commercial Register and other registers of legal entities. It largely adopts the current rules that apply to the Commercial Register. Among the new concepts contained in this law are the competence of notaries public to effect entries in various registers, and the option to make certain information part of the public record on a voluntary basis.

[More here](#)

CHANGES CONCERNING THE DISPOSAL OF MINING WASTE

■ In the wake of an amendment to the Mining Waste Act, the operation of tailings ponds and heaps may in the individual case be subject to no less than three different legal regimes. [More here](#)

IS VAT DEDUCTION POSSIBLE IF THE COMPANY CAR IS ALSO USED FOR PRIVATE PURPOSES?

■ Taxpayers who use the fixed assets which they acquired both for their economic activity (business) and for activities unrelated to business (private needs) are only entitled to a prorated VAT deduction, corresponding to the extent to which the use of such assets qualifies as “use for [their] economic activity” (in the terms of Sec. 75 of the VAT Act - Act No. 235/2004 Coll.). [More here](#)

PER DIEMS ON BUSINESS TRIPS ABROAD AS OF 1 JANUARY 2014

■ The finance ministry has set new base rates for daily expense allowances in foreign currency for 2014. [More here](#)

LEGAL AND TAX NEWS

■ An executive order on the change of tax laws in connection with the ‘recodification’ of Czech private law known as the ‘tax package’ (No. 344/2013 Coll. - [more here](#)) and an executive order on the real estate transfer tax (No. 340/2013 Coll. - [more here](#)) have both been ratified by the Senate and promulgated by way of their publication in the Collection of Laws.

■ The rates and amounts of default interest, of the costs of recovery of claims, and of the fee of court-appointed liquidators are newly set out in Decree No. 351/2013 Coll. [More here](#)

SELECTED JUDICATURE

■ In a recent decision, the Supreme Court clarified that members of statutory bodies and liquidators are strictly liable for “proper” performance in their respective office (that is to say, a performance in line with the requirement that they act with the due care of a prudent businessperson), but not for the results of their actions. In other words, as long as they acted with due managerial care, they are not required to compensate the company for damage which may have been incurred as a consequence of their actions. [More here](#)

NEW JOINERS

■ The team of the Prague office of bnt has recently been strengthened by a new colleague: **Anna Suchá**, a lawyer who graduated from the Faculty of Law of Charles University and from the Faculty of International Relations at the Prague University of Economics. **As a legal practitioner, she focuses primarily on corporate and financial law, in addition to real estate law.** She is able to provide services in Slovak, Czech, English, and German (anna.sucha@bnt.eu).



BUĎTE S NÁMI PŘIPRAVENI NA VELKOU ZMĚNU!

Od 1. 1. 2014 je účinné nové soukromé právo.

BE READY WITH US FOR THE BIG CHANGE!

As of 1/1/2014, the new Czech private law comes into force.

Více zde / [More here](#)