

Key regulatory developments in the Czech Republic

February 26, 2021

Source/Date	Brief description
Ministry of Finance of the Czech republic (MF) 22/01/2021	<p>Treaty for the avoidance of double taxation in the field of income taxes and the prevention of tax leak and tax avoidance concluded on 11 December 2019 between the Czech Republic and the People's Republic of Bangladesh has become valid</p> <p>The treaty became valid on 15 January 2021 and due to a different tax period, the agreement will come into force in Bangladesh on 1 July 2021, and in the Czech Republic on 1 January 2022.</p> <p>For further information in English and Czech click here.</p>
Czech National Bank (CNB) 26/01/2021	<p>Public consultation - amendment to decree No. 234/2009 Coll. on protection against market abuse and transparency</p> <p>The amendment responds to Commission delegated regulation (EU) 2018/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format, the forthcoming implementing regulation to the list of insiders and the terminological changes contained in the amendment to the Capital Market Business Act containing the Capital Markets Union. The public is invited to send suggestions for the amendment in question by 16 February 2021 to the address Vit.Ossendorf@cnb.cz, including the justification for the need for the proposed changes.</p> <p>For further information in Czech click here.</p>
Chamber of Deputies Parliament of the Czech Republic 27/01/2021	<p>Bill amending the Act on Banks was approved in the first reading by the Chamber of Deputies on 27 January 2021</p> <p>The Bill implements the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (CRD V). The main goal of CRD V and of this Bill is to reduce risks and improve consumer confidence in the banking sector. In general, the Bill covers, among others:</p> <ul style="list-style-type: none">• The application of supervisory requirements and capital guidance under Pillar 2• The adjustment of requirements applied to remuneration policies

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	<ul style="list-style-type: none"> • Requirement of the establishment of intermediate parent undertakings • Update of the governance requirements applied to firms. <p>For the Bill to be enacted, the approval of the Chamber of Deputies in the second and the third reading, the approval of the Senate and signature of the President are necessary.</p> <p>For further information in Czech click here and here.</p>
<p>Chamber of Deputies Parliament of the Czech Republic</p> <p>27/01/2021</p>	<p>A bill amending the Act on Recovery and Resolution in the Financial Market passed the first reading in the Chamber of Deputies on 27 January 2021</p> <p>The Bill implements the Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC (BRRD II). BRRD II responds to the need to adapt the rules for setting a minimum requirement for own funds and eligible liabilities (MREL) to standards adopted at the international level that relate to the requirement on total loss-absorbing capacity (TLAC). For the Bill to be enacted, the approval of the Chamber of Deputies in the second and the third reading, the approval of the Senate and signature of the President are necessary.</p> <p>For further information in Czech click here and here.</p>
<p>MF</p> <p>27/01/2021</p>	<p>Treaty for the avoidance of double taxation in the field of income taxes and the prevention of tax leak and tax avoidance was signed on 27 January 2021 between the Czech Republic and the Republic of San Marino</p> <p>The Ministry of Finance announced that on January 27 2021, a treaty for the avoidance of double taxation was signed in Rome between the Czech Republic and San Marino. In both countries, a standard legislative procedure will follow, leading to the entry into force of this Treaty and its subsequent practical implementation.</p> <p>For further information in Czech click here.</p>
<p>CNB</p> <p>01/02/2021</p>	<p>CNB has prepared an amendment to decree No. 346/2013 Coll., on the submission of statements by banks and branches of foreign banks to the Czech National Bank, and decree No. 426/2013 Coll., on the submission of statements by savings and credit unions to the Czech National Bank</p> <p>This amendment is a response to a bill amending the act No. 21/1992 Coll., on banks, act No. 87/1995 Coll., on savings and credit unions, and some other acts in connection with the implementation of Directive (EU) 2019/878 and Regulation (EU) 2019/876. This bill is currently in the legislative process and has not yet entered into force. The amendment has been submitted to an inter-ministerial comment procedure.</p> <p>For further information in Czech click here.</p>
<p>CNB</p>	<p>CNB has prepared amendment decree No. 30/2017 Coll., to the Act on Central Register of Accounts</p>

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01/02/2020	<p>The Central Register of Accounts (CRA) is a central database of basic information on accounts led by credit institutions for their clients. The CNB is the operator of the CRA. The amendment was prepared in connection with transposition of the V. AML directive into Czech law and changes within the legal regulation of CRA, specifically the extension of persons obliged to send specified data to the CRA and extension of the data recorded in the CRA. The amendment has been submitted to an inter-ministerial comment procedure.</p> <p>For further information in Czech click here.</p>

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