

Example – Czech Republic

Gross wage in month 30000 CZK (approx. 1150 EUR), taxpayer has one child. What is his netto wage? What has he to pay?

| | | |
|--|-------|---|
| Gross wage (month) | 30000 | |
| Social and health contributions paid by employer | 10200 | 34% of gross wage |
| Tax base | 40200 | 30000+10200 |
| Tax allowance to deduct | 0 | Tax allowance is not allowed in month calc. |
| Modified tax base | 40200 | |
| Tax brutto I | 6030 | 15% from the modified tax base |
| Tax reduction to deduct | 2070 | 1/12 of basic tax reduction (24840 CZK) |
| Tax brutto II | 3960 | 6030-2070 |
| Tax allowance | 1267 | 1/12 of tax allowance (15204 CZK) |
| Tax netto | 2693 | 3960-1267 |

Netto wage:

| | | |
|--|-------|----------------------------------|
| Gross wage | 30000 | |
| Social and health contributions paid by employee | 3300 | 11% of gross wage |
| Tax netto | 2693 | |
| Netto wage | 24007 | 30000-3300-2693; approx. 920 EUR |

Taxpayer must pay tax netto and social and health contributions.

Your task is to take average wage in your country in one month and calculate the netto tax and other tax duties. Please use the table or any other form to show the structure of your calculations.

Place your homework in the “Homework Vaults” in the Information System no later than 25/3/2020.