

Czech Republic: New employers obligations regarding employees working under agreements to complete a job

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This Client Alert follows the previous publication on 19 February 2024, titled "[Czech Republic: The Consolidation Package and its impact on Labour Law and HR](#)".

New regulations governing agreements to complete a job (in Czech: *dohoda o provedení práce*) came into effect in the Czech Republic on 1 July 2024, with additional provisions set to be implemented on 1 January 2025. These amendments significantly modify the original provisions outlined in the Czech Consolidation Package (Act No. 349/2023 Coll.).

Following up on the previous Client Alert, "[Czech Republic: The Consolidation Package and its impact on Labour Law and HR](#)", published on 19 February 2024, this Client Alert summarises the key changes implemented since and highlights new obligations for employers.

1 What changes were implemented on 1 July 2024?

1.1 Compulsory registration of all employees working under an agreement to complete a job

Until now, employers only had a duty to register employees working under agreements to complete a job if the employee was covered by sickness and pension insurance, i.e. in a given month their income was above CZK 10,000. In that case, a registration with a register of insured persons maintained by the Czech Social Security Administration was necessary.

From July, it's compulsory for employers to register every employee working under the agreement to complete a job, regardless of their income.

All current employees must be registered by 20 August 2024. For the registration, employers will use forms published by the Czech Social Security Administration on their [official website](#).

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1.2 Employers must electronically report income of all employees working under an agreement to complete a job

Following the registration, every month employers must file a report containing a list of employees working under an agreement to complete a job and their income. The reporting can be done via [this](#) special form published by the Czech Social Security Administration.

The deadline for reporting for each month is the 20th day of the following month, i.e., the reporting for July 2024 must be completed by 20 August 2024.

2 What will change from 1 January 2025?

The current rule, under which a monthly remuneration below a fixed limit of CZK 10,000 (for each agreement to complete a job) is exempt from social security contributions, will be replaced from 1 January 2025 by a new system. It will be based on a new limit calculated as a percentage of the national average wage. Complex set of rules will apply on employees who work for several employers simultaneously based on multiple agreements to complete a job.

From 2025 the following rules will apply:

- (a) Should the employee work for only one employer (regardless of the number of agreements to complete a job entered into), they will be exempt from social security contributions if their monthly remuneration does not exceed a limit of 25% of the national average wage (CZK 10,500 per month in 2024).
- (b) Should the employee work for several employers under several agreements to complete a job, they may be exempt from paying social security contributions only regarding the work performed for one of the employers – the one who announced to the Czech Social Security Administration its will to use the newly introduced "regime of notified agreement" (in Czech: *režim oznámené dohody*). The first employer to make the announcement may use the regime of notified agreement.

The other employers must abide to the following:

- Should the employee earn up to CZK 3,999 per month, they will be exempt from paying social security contributions.
- Should the employee earn CZK 4,000 per month or more, the social security contributions must be paid.

Given the breadth and complexity of the changes, we will gladly answer any of your additional questions.

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