


Financing adult learning database

| | |
|---|---|
| Name of the instrument - Local language | Odpočet úhrady za zkoušku podle zákona 179/2006 |
| Name of the instrument - English translation | Tax deduction for examinations stipulated by Act 179/2006 |
| Scheme ID | 40 |
| Country |  Czechia |
| Reporting year | 2020 |
| Type of instrument | Tax incentive for individuals |
| Sub-type of instrument | Incentive for particular training activities and/or particular groups |
| Type of entry | Single instrument |

| | |
|--------------------------|---|
| Short description | <p>Adults that paid for an examination of a vocational qualification listed in the Register of Qualifications NSK (but not a training course) and that submit income tax returns, can deduct the costs of validation of their learning from their individual income tax base up to a set maximum limit - CZK 10 000 (approx. EUR 396). The state co-funding - in the form of foregone tax revenues - equals the eligible costs multiplied by the marginal tax rate (between 15 % and 23 %). A higher amount can be deducted for groups with preferential treatment: CZK 13 000 (approx. EUR 515) for adults with disabilities, and CZK 15 000 (approx. EUR 594) for adults with heavy disabilities. The tax incentive can be used once in each calendar year. The incentive has been rarely used in the past years.</p> |
|--------------------------|---|

| | |
|--|--------------------|
| Level of operation | National |
| Name of a part of the country | Not applicable |
| Name of the region (for regional instruments) | Not applicable |
| Name of the sector (for sectoral instruments) | Not applicable |
| Relevance | Further instrument |

| | |
|---|---|
| Legal basis | Act 179/2006 on the recognition of the outcomes of further learning, Act 586/1992 on income tax |
| Objective(s) and target(s) | Not available |
| Year of implementation | 2007 |
| Operation/management | Ministry of Finance (Financial Office) is tax revenue collector. Ministry of Education, Youth and Sports is responsible for verification of the outcomes of further learning (VNFIL) |
| Eligible group(s) | All adults paying out of pocket for an examination of a vocational qualification (but not a training course) and who submit income tax returns are eligible for the tax deduction. According to this criterion, the tax incentive de facto excludes unemployed persons, people with very low income (less than 15 000 a year), and people with (heavy) disabilities, whose only income is a disability pension, as their pension (income) is not taxable. |
| Group(s) with preferential treatment | Adults with a disability can deduct up to CZ 13 000 (approx. EUR 515) from their tax base. Adults with a heavy disability can deduct up to CZ 15 000 (approx. EUR 594) from their tax base. |
| Education and training eligible | Only examinations validating prior learning are covered. Exams organized under Act 179/2006 on the recognition of the outcomes of further learning; i.e. "vocational qualifications" (formerly referred to as "partial qualifications"). No actual learning content is eligible. |
| Source of financing and collection mechanism | State (loss of tax revenue). Paid out as reduction in taxes due. |
| Financing formula and allocation mechanisms | An applicant may deduct eligible costs from their annual income during the tax period and thus reduce the taxable income for the relevant tax period. The costs are deductible from the tax base, for a 15% effect. The maximum amount/deduction from the tax base is CZ 10 000 (EUR 396). The maximum deduction from the tax base for people with disabilities is EUR 515, for people with heavy disability it is EUR 594. The maximum share of examination expenses that may be deducted from the tax base is 100% of costs covered (but no more than the maximum amount). Only fees for participation in the final examination (i.e. when the participant gets a nationally recognized certificate of vocational qualification listed in the National Register of Qualifications NSK) can be covered. This scheme can be used once per calendar year but can cover an arbitrary number of fees (under CZ 10 000 total, EUR 396), as it is claimed when filing taxes. |
| Eligible costs | Examination costs |
| Volumes of funding | Overall costs:2016: CZK 193 238 (approx. EUR 7 145)2017: CZK 160 162 (approx. EUR 6 287)2018: CZK 158 555 (approx. EUR 6 224) |
| Beneficiaries/take up | Total beneficiaries:2016: 3062017: 2542018: 245 |

| | |
|---|---|
| Organisation responsible for monitoring/evaluation | Ministry of Finance (Financial Office) |
| Monitoring/evaluation reports available | Not available |
| Most relevant webpage - in English | https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=NIM%3A139833 |
| Most relevant webpage - local language | https://www.financnisprava.cz/cs/dane/dane/dan-z-prijmu/dotazy-a-odpove... |
| Recent changes | <p>No recent amendment</p> <p>Recent changes in response to COVID-19</p> <p>No changes</p> |
| Sources | Financial Office |