ACREDOS

WE SOLVE THE UNSOLVABLE
FOR YOUR PEACE OF MIND

How to survive a tax package

I have a company with a value of over 100 million CZK and I need some money for living.

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Offer of services

We provide these services especially to Czech company owners that report a profit of at least CZK 5 million annually or with a market value of assets of at least CZK 100 million (for example, real estate):

- Assets protection – security against unexpected negative events.
- Preparation for handover or direct handover to the next generations.
- The possibility of deciding during your lifetime what will happen to which property.
- Group/holding structure design and setup.
- Distribution of assets by type, their risk profile and management options.
- Transfer of business share or purchase of shares.
- Group restructuring – simplifying group structure by eliminating redundancies

From 1st January 2025, it is no longer be possible to sell company shares without restrictions.

In other words, this means that the only possible flow of funds to you, as the owner, is through dividends. Taxed at 15 %.

For example, 15 % of CZK 100 million = CZK 15 million in tax.

The possibility of creating a money channel "for life" and for "Your children".

What is the tax change from 1st January 2025?

- Among many other changes, as from 1st January 2025, the Czech government taxes the sale of shares above CZK 40 million. Although it allows you to clear the appraised value as of 31st December 2024, in reality it leads to the taxation of your property.
- Any change should be implemented by the mid-2025 so that an expert opinion dated as at 31st December 2024 may be effectively used.
- Otherwise, you can expect that any future cash flow to you will be subject to a 15% tax.

Why deal with re-structuring the ownership of your company?

- **Asset protection:** by separating individual companies or movable and immovable assets, you can limit the overall risk associated with the implementation of new projects or unexpected negative events**.**
- **Efficiency:** an unnecessarily complex group structure can be costly, inefficient, tax disadvantageous and unattractive to potential buyers. By removing redundant entities or regrouping them, you can free up "sleeping" capital, reduce costs, tax burden, and most importantly save your time when managing them**.**
- **Tax planning:** in addition to creating a money channel "for life" and for "Your children" - i.e. saving 15 % of the tax flow to you or your descendants, it is also possible to reduce the tax burden by up to tens of percent by appropriate planning and correct setting of the structure of the entire holding.
- **Easier financing:** an efficiently set up structure will enable you to finance individual companies in the group in a simpler and clearer way.
- **Cost savings:** it may happen that some companies are no longer active or, on the contrary, perform a similar function and are duplicated. By eliminating redundant entities, you can free up capital and reduce costs.
- **Simplification of the property structure and transactions:** there is no need to draw complex property entanglements and sometimes meaninglessly interconnected companies, including complicated transactions between them. A more transparent structure can also help you in succession planning or the sale of the business.

REFERENCES

„Mr. Houska helped us set up transactions within the companies we own (Zásilkovna, Packeta, Alensa) and the establishment of our family holding JSK Investments. I appreciate the ability to "come up with a solution that helped develop our business". "

Ing. Jaromír KIJONKA, managing director and owner

Zásilkovna, Packeta, Alensa

„I appreciate that they proactively propose more solution options and point out problems that could arise in more complex transactions. In addition, we have a stable team who know us well and are a phone call away to take care of whatever we need. "

Ing. ZDENĚK PELC, CSc. and JUDr. ZDENĚK PELC

GZ Media, a.s

„The Acredos company helped me and my partner resolve the complicated ownership of numerous companies and assets, both in the Czech Republic and abroad. Over more than thirty years, we have undertaken many projects and interesting investments, but we have implemented them without long-term planning from a legal and tax point of view and without considering the potential transfer to our descendants.

With Acredos, we have learned that even seemingly intractable challenges can be solved with expertise, credibility, and humanity so that associates can rest easy knowing that everything is set up correctly. "

Ing. Ladislav Drda

Regionální stavební s.r.o.

More references can be found on our website acredos.cz

What do you get by working with us?

Every transaction is unique. And we treat it that way. Our team is ready to advise you clearly, specifically and wherever it is needed. We offer you:

- **Plan:** structuring a group or set of assets is a complex and long-term process that needs to be carefully planned. We will always discuss the entire process with you in advance and propose a timeline and a precise action plan – giving you confidence and clarity in every stage of the process.
- **International knowledge and experience:** we have compiled a number of options for both individuals and companies. For example, we designed and implemented tax and legal solutions for the restructuring of groups operating in Central and Eastern Europe with Czech owners and a holding company in Great Britain, supported the company in its expansion in Central and Eastern Europe, and assisted with the structuring of the construction of a hotel complex in Zanzibar.
- **Local knowledge and experience:** we have knowledge of the local needs and challenges of Czech entrepreneurs - we have structured the transfer of assets into a dozen trust funds (in cooperation with over ten law offices), we will handle the change in your accounting ourselves or we will help your accounting department. In addition, we have an extensive network of contacts with various experts.
- **Everything under one roof:** our auditors, tax advisors, experts and accountants are available to you even after the end of the restructuring project. With our in-depth knowledge of your company, we will be able to provide you with relevant suggestions for improvement in other services.