Example – Czech Republic

Gross wage in month 42000 CZK (approx. 1615 EUR), taxpayer has one child. What is his netto wage? What has he to pay?

Gross wage (month) 42000

Tax base 42000

Tax allowance to deduct 0 Tax allowance is not allowed in month calc.

Modified tax base 42000

Tax brutto I 6300 15% from the modified tax base

Tax reduction to deduct 2570 1/12 of basic tax reduction (30840 CZK)

Tax brutto II 3730 6300-2570

Tax allowance 1267 1/12 of tax allowance (15204 CZK)

Tax netto 2463 3730-1267

Netto wage:

Gross wage 42000

Social and health contributions

paid by employee 4872 11,6% of gross wage

Tax netto 2463

Netto wage 34665 42000-4872-2463; approx. 1387 EUR

Taxpayer must pay tax netto and social and health contributions.

Payor (employer) pays additional part of social and health contributions 14196 CZK (33,8 % of the gross wage).

**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 25/3/2024.