

**Informational Material for Foreign Physical Entities
Transacting Business in the Czech Republic in Accordance
with the Small Business Act**

**Ministry of Industry and Trade
of the Czech Republic**

Informational Material for Foreign Physical Entities

**Integration of Citizens of Foreign Countries
Project No. 1/2008**

I. Business Activities

II. The Structure and Scope of Authority of the Trade Licensing Office

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I. Business Activities

I. General Information

The right of each individual to transact business and to carry out a business activity, in addition to the right to own possessions, is guaranteed by Article No. 26 of the Charter of Fundamental Rights and Freedoms, which forms part of the Constitutional Order of the Czech Republic. In accordance with this article, every individual has the right to transact business and to carry out other business activities. The conditions and limitations adhering to the performance of specific activities will be determined exclusively in accordance with the law.

Act No. 455/1991 Coll., on business activities (Small Business Act), as amended, is the relevant public law that regulates the basic relationship between entrepreneurs and the state and the specific conditions relating to commercial activities in the majority of the entrepreneurial activities of both legal and physical entities.

The Act defines business activity as on-going activity, conducted independently, under an individual's own name and based on his/her own responsibility, in order to achieve a profit and in accordance with the conditions stipulated by this Act. Although this definition is identical to the definition of business activities in accordance with the characteristics described in the Commercial Code, the sphere of authority of the Small Business Act is more restricted, according to its adherence to the conditions stipulated by the Small Business Act, and it does not include business activities conducted on a basis other than that of a trade licence. Defined as an entrepreneur, in terms of the Small Business Act, is every physical and legal entity, domestic or foreign, who/which meets the conditions stipulated by this Act. The trade Licensing regulation relates to commercial activities carried out by both physical and legal entities. In principle, every activity that meets the attributes defined above and that is not expressly excluded from business activities (see Art. 3 of the Small Business Act) is considered to be a trade. In accordance with the quoted definition, especially one-time work activities, work activity which is not undertaken for the purpose of achieving a profit (herein the important detail is that this must concern the purpose; a profit does not have to be achieved) and work carried out on the basis of labour-law relations are not considered as a trade; a trade is an activity intended for the market and offered on the market to fulfil the needs of others.

The Small Business Act regulates a range of specific responsibilities of the entrepreneur related to his/her business and also regulates in detail official proceedings concerning the declaration of a trade or the application for a licence and the issuance of the trade licence certificate. The act regulates Trade Inspection Authorities and their performance and imposes penalties for violations of the Act, and deals with other specific issues, such as the administration of Trade Registers, the cooperation between individual state administration bodies in the field of business activities, etc.

The currently valid trade licensing regulation recognises declared trades, for which the right to pursue the trade commences, in the majority of cases, immediately subsequent to notification of the trade to the relevant Trade Licensing Office, and licensed trades, for which the right to pursue the trade commences after a licence has been granted. Declared trades are divided into:

- Free Trades for whose operations only general conditions are stipulated;
- Craft Trades, specified in Appendix No. 1 of the Small Business Act, which are specified in accordance with the traditional consideration of the craft as a professional activity, carried out in a specific field, and for which a special qualification is required, as defined in Art. 21 and the subsequent Art. 22, and

- Regulated Trades specified in Appendix No. 2 of the Small Business Act for which a special qualification is required, as defined in Appendix No. 2 of the Small Business Act or which is regulated in accordance with the special legislation defined in this appendix

As a licensed trade, whose characteristics are defined in Appendix No. 3 of the Small Business Act, are considered specifically those activities whose operation is the particular subject of legislative authorisation by the competent state administrative body. For a number of licensed trades proof is also required of relevant professional qualifications. For certain specified trades other requirements are also imposed on entrepreneurs, such as requiring the demonstrated probity of all employees, or additional conditions are specified for carrying out the trade.

An entrepreneur is entitled to declare a trade or to apply for a licence in a full or a partial extent. An applicant is obliged to define the parameters of the type of business in the wording of the declaration with sufficient accuracy and explicitness. In the declaration for a free trade the applicant shall define the types of activity, which he or she will pursue, within his/her conducting of the business. The type of business of a free trade must be declared in accordance with the names of the types of businesses listed in Appendix No. 4 of the Small Business Act. The types of business of craft trades and licensed trades must be declared in accordance with Appendices Nos. 1 and 2 of the Small Business Act, in full or in part. The type of business should be stated in full or in part, in accordance with Appendix No. 3 in the application for a concession.

The Small Business Act has been drawn-up as a public law norm regulating the basic conditions for business activities. It does not contain any provisions regulating the specific performance of individual activities and assumes that the individual performance of particular activities is regulated by the relevant Special Regulations. As a matter of course, an entrepreneur must fulfil all the duties attendant on both the Small Business Act and on the Special Regulations.

The Small Business Act, in the version valid as of the date of compilation of this guide, can be found on the website of the Ministry of Industry and Trade, www.mpo.cz.

II. Foreign Physical Entities

With regard to an individual declaring a trade or applying for a licence, the following section will focus on the foreign physical entity that is a physical entity with domicile outside the Czech Republic. For the purposes of the Small Business Act, the domicile of the physical entity is the location of his/her permanent address. In accordance with this regulation of the Small Business Act, both a foreigner and also a Czech citizen with a permanent address outside the Czech Republic is considered as a foreign entity. The foreign physical entity, which intends to conduct a business, must have an enterprise, or its organisational unit, located in the Czech Republic. Those foreign physical entities that select the Czech Republic as their place of business must have their enterprise in the Czech Republic. A foreign physical entity may also operate a trade in the Czech Republic through an organisational unit of its enterprise located outside the Czech Republic. A physical entity that has been granted asylum or additional protection in accordance with special legal regulations (Act No. 325/1999 Coll., on asylum, as amended), may carry out business activities in the Czech Republic under the same conditions as a citizen of the Czech Republic; the same applies to members of her/his family.

General conditions for a trade operated by foreign physical entities are as follows:

- Reaching the age of 18 years
- Competence to conduct legal activities
- Irreproachable character

Irreproachability is defined as an unblemished record, documented by an entry from the Penal Register or a similar document. In accordance with the relevant provision, an individual is not as considered an irreproachable person who has been lawfully convicted for

- An intentionally committed crime, either individually or in combination with other crimes, for which he or she was sentenced to unsuspended imprisonment in the duration of at least one year, or
- An intentionally committed crime to which the previous provision is not applicable, in the event that this crime was committed in connection with the conduct of business

unless the relevant person is deemed to have had their sentence absolved.

A foreign physical entity documents his/her irreproachable character to the relevant Trade Licensing Office in the event that:

- a) He or she is a citizen of another European Union member state – by an extract from the Penal Register or an equivalent document issued by the relevant judicial or administrative body of the relevant state or of the member state of his/her most recent previous place of residence. In the event that the Czech Republic is this member state of most recent previous place of residence, this is acted on in accordance with Art. 6, Paragraph 3, Sentence 2, which means that a Trade Licensing Office is entitled to require an extract from the Criminal Register in accordance with Act No. 269/1994 Coll., on Criminal Record Register, as amended. In the event that the relevant state does not issue extracts from their Penal Register or any equivalent document, the relevant physical entity presents a declaration of irreproachable character in accordance with Art. 6, Paragraph 1, section c) of the Small Business Act, made before a notary public or before an authority of the member state which was the last

residence of the relevant person. These documents must not be older than 3 months; a document relevant to this issue may be substituted by a specialised qualification certificate, in the event that this certificate also documents that the definition of irreproachable character has been met;

- b) He or she is a citizen of another state than those mentioned in section a) – by an extract from the Criminal Register or the relevant documents issued by the state of which the relevant physical entity is a citizen . In the event that the relevant state does not issue extracts from the Penal Register or any equivalent document, the relevant physical entity presents a declaration of irreproachable character made before a notary public or in front of an authority of the member state which was the last residence of the relevant person. These documents must not be older than 3 months;

A foreign physical entity who intends to operate a trade in the Czech Republic and who is required to have a residence permit for the Czech Republic in accordance with Act No. 326/1999 Coll., on the residence of foreigners in the Czech Republic, as amended, must, when declaring a trade or applying for a licence, present a certificate of the granting of a visa for a stay longer than 90 days or a long-term residence permit. The obligation to present this document does not apply to a foreign physical entity who intends to operate a trade in the Czech Republic by means of an organisational unit of his/her enterprise. A foreign physical entity who is a citizen of an European Union member state or of another state covered by the European Economic Area Treaty or of the Swiss Confederation does not need to present his/her residency permit to the Trade Licensing Office when declaring a trade or applying for a licence; if he or she intends to reside in the Czech Republic temporarily for a period longer than 3 month, the relevant administrative bodies issue, on his/her request, a certificate of temporary residence in the Czech Republic.

Apart from the general conditions, special conditions for conducting a trade must be met in the case of a craft, a regulated and the majority of licensed trades. These special conditions include professional or other qualification(s), in the event that they are required by the Small Business Act or in accordance with special regulations. Whoever intends to transact business as a physical entity, but does not meet the special conditions for operating a trade, can, alternatively, satisfy these conditions by appointing a responsible representative. A responsible representative is a physical entity, appointed by an entrepreneur, who is responsible for the proper operation of the trade and adherence to the Trade Licensing regulations; he or she is in a contractual relationship with the entrepreneur. Nobody can be appointed a responsible representative for more than four entrepreneurs. A responsible representative must meet all the conditions for operating a trade, i.e. he or she must be at least 18, competent to perform legal acts and of an irreproachable character and must also meet the special conditions for operating a business. In the event that the responsible representative is a citizen of an European Union member state, he or she submits for the assessment of his/her irreproachability an extract from the Penal Register or an equivalent document, issued by the relevant judicial or administrative body of the relevant native state or of the member state of his/her most recent previous place of residence; in the event that the Czech Republic is this member state of most recent previous place of residence, this is acted on in accordance with Art. 6, Paragraph 3, section 2, which means that a Trade Licensing Office is entitled to require an extract from the Criminal Register in accordance with Act No. 269/1994 Coll., on Criminal Record Register, as amended. In the even that the relevant state does not issue extracts from the Penal Register or any equivalent document, the relevant physical entity presents a declaration of irreproachable character made before a notary public or before an authority of the member state which was the most recent residence of the relevant person. These documents must be not older than 3 months.

It is possible to declare a trade or apply for a licence personally at every competent Trades Licensing Office – central registration point (CRP), or to write to this office by mail or electronically (with a certified electronic signature). Additionally it is possible to apply in person through a contact point of public service (Czech POINT).

Certificates of education issued outside the Czech Republic must be accompanied by a validation clause, in accordance with a special legal regulation, and documentation of university education must also be accompanied by a certificate of recognition in accordance with special legal regulations. The issuance of recognition of professional qualifications acquired outside the Czech Republic is regulated in the Czech Republic by a Decree of the Ministry of Education, Youth and Sports of the Czech Republic No. 12/2005 Coll., On the conditions for recognising the equivalency of validating reports issued by foreign schools; the act also regulates the validation of specialised education certificates of a lower level than the GCE. The recognition of university education which took place and qualifications which were granted outside the Czech Republic is regulated by Act No. 111/1998, Coll., on universities and on changes and amendments to other acts (Universities Act), as amended.

If the duty to present a document proving certain facts arises within the law, this requires the presentation of the relevant document, including its translation into the Czech language, by an interpreter listed in the register of experts and interpreters, unless the document was issued in Czech language. The authenticity of the signature and/or the seal on the originals of submitted documents issued outside the Czech Republic must be verified. The verification of documents (super-legalisation) is not necessary when bilateral international treaties on legal assistance exist (including a treaty concluded between the CR and SR under no. 209/1993 Coll.) and under the Hague Treaty on cancelling the requirement for verifying foreign public documents stipulated in the Collection of Acts No. 45/1999 Coll. In accordance with the Hague Treaty, the relevant documents are verified only by issuance of an apostille in the state where the document was issued. Depending on the particular state, verification may involve a super-legalisation document, an apostille or a document issued by a specific body of a foreign state. The requirement of translation into the Czech language by an interpreter recorded in the register of experts and interpreters and the requirement of verifying a signature and/or the seal authenticity does not apply to documents presented by citizens of European Union member states, the European Economic Area member states and Switzerland, unless doubts exist concerning the accuracy of the translation or the authenticity of a signature or a seal.

In the case of foreign physical entities – citizens of the European Union or the European Economic Area – the trade licence becomes valid on the declaration of a trade or, if a later date is specified in the declaration, on the date specified therein. A trade licence for licensed trades becomes valid on the date when a decision on the granting of a licence comes into legal effect.

In the case of foreign physical entities with a permanent address in states other than those of the European Union or of the European Economic Area and with no record in the Commercial Register a trade licence originates on the date that it is recorded in the Commercial Register. When a trade is declared or an application for a licence is submitted in accordance with a record in the Commercial Register, a trade licence becomes valid on the declaration of a trade or, if a later date is specified in the declaration, on the date specified therein, or on the date that a decision on granting a licence comes into legal effect.

A trade licence cannot be transferred to another person. A different person can execute a trade licence if this is stipulated by the law.

An entrepreneur verifies the validity of his/her trade licence by the certificate of the Trade Register, which has requisites either in accordance with Art. 60 Paragraph 4(a) – a certificate with data which has already been recorded on a trade certificate or on a trade licence, or in accordance with Art. 60 Paragraph 4(b) – a full certificate comprising all the data entered in the Trades Register except for private data (i.e. personal identification number; in the event of non-allocation of a personal identification number then additionally the date of birth and the sanctions imposed), or in accordance with Art. 60 Paragraph 4(c) – partial certification with data in accordance with the extent required, except for private data. Required extent is interpreted in accordance with the definition of the trades transacted by the entrepreneur (additionally, e.g., location of premises). According to Art. 60 Paragraph 4 (a) the certificate can be issued only by the Trades Licensing Office; apart from the Trades Licensing Office, a partial or complete certificate can also be issued by a contact point for public services – Czech POINT.

A trade can be operated in more places of business, based on the certificate of a trade licence, provided that the entrepreneur has the right of use or a proprietary right to these locations.

When declaring a trade or applying for a licence at the relevant Trades Licensing Office physical entities may also

- a) File an application for tax registration or the applicable declaration (Art. 33 of Act No. 337/1992 Coll., on administration of fees and taxes, as amended);
- b) Report the commencement of self-employment (Art. 48d of Act No. 582/1991 Coll., on organisation and execution of social security, as amended);
- c) File an application for pension insurance (Art. 48d of Act No. 582/1991 Coll., as amended);
- d) File an application for sickness insurance (Art. 145b, Para. 2 of Act No. 100/1988 Coll., on social security, as amended; with effect from 1.1.2009 Art. 91a of Act No. 187/2006 Coll., on sickness insurance),
- e) Report an open or filled vacancy (Art. 35, Para. 2 of Act No. 435/2004 Coll., on employment, as amended by Act No. 214/2006 Coll.),
- f) File a notification in accordance with the Act on public health insurance (Art. 10 of Act No. 48/1997 Coll., on public health insurance and on changes and amendments to certain acts, as amended by Act No. 214/2006 Coll.).

A brief description of the procedures for declaring a trade or submitting an application for a licence by a foreign physical entity who is a citizen of a European Union or EEA member state or a citizen of Switzerland (Attachment No. 1) and by a foreign physical entity who is not a citizen of a European Union or EEA member state or a citizen of Switzerland (Attachment No. 2) are included in the attachment to this material for further information.

**Submission of a declaration of a trade and an application for a licence by a physical person with a permanent address outside the Czech Republic
(Foreign physical entity – a citizen of a European Union or EEA member state or a citizen of Switzerland)**

In accordance with Art. 2 of the Small Business Act a trade is a continuing activity carried out independently, under the name of an individual, based on that individual's responsibility, in order to achieve a profit and under the conditions determined by the Small Business Act. No special conditions (i.e. professional qualifications) are prescribed in circumstances of free trading and entrepreneurs are required only to meet the general conditions for operating a trade. In the case of craft trades entrepreneurs must meet the conditions for professional qualification, in addition to the general conditions for operating a trade. (Craft trades are listed in Appendix No. 1 to the Small Business Act.) In the case of regulated trades, entrepreneurs must meet the conditions for professional qualifications, as regulated by Appendix No. 2 to the Small Business Act or as prescribed by the specific laws defined in this appendix, in addition to the general conditions for carrying out a trade. (Regulated trades are listed in Appendix No. 2 to the Small Business Act.) In the case of licensed trades, in addition to the general conditions for operating a trade, entrepreneurs must also meet additional specified conditions, i.e. professional competence, regulated for licensed trades by special regulations stipulated in Appendix No. 3 to the Small Business Act or determined by special laws defined in this appendix. The state's permission to operate a trade (hereinafter a "licence") is required only in cases determined by the Small Business Act.

Who can declare a trade or submit an application for a licence?

A physical entity with a permanent address outside the Czech Republic ("a foreign physical entity") can operate a trade in the Czech Republic under the same conditions and to the same extent as a Czech citizen, unless the Small Business Act or a specific act stipulate otherwise. In accordance with Art. 5 Para. 5 of the Small Business Act, a foreign physical entity who is a citizen of an European Union member state or a citizen of a member state covered by the European Economic Area Treaty or of the Swiss Confederation is not required to present a certificate of residence permit for the Czech Republic to the Trades Licensing Office when declaring a trade or applying for a licence.

What are the conditions for operating a trade?

The general conditions for operating a trade by physical entities are as follows:

- Minimum age of 18 years.
- Competence to conduct legal activities.
- Irreproachable character

Proving of professional competence is not a condition for operating a free trade. Operating a free trade is conditional on declaring a trade. Operating a craft, regulated or licensed trade is

additionally conditional on meeting the specific regulations for operating that trade, which are, for example, professional or other special competence.

Professional competence for operating craft trades is demonstrated by documentation of:

- Due completion of high school with a vocational certificate in the relevant field of education,
- Due completion of high school with a graduation examination in the relevant field of education or with special training in subjects in the relevant field,
- Due completion of advanced specialised education in the relevant field of education,
- Due completion of university education in the relevant field of study programmes and study areas,
- The recognition of professional qualifications, issued by a certification body (Ministry of Industry and Trade) in accordance with the Act on the recognition of professional qualifications,
- The authentication or acknowledgement of complete qualification achieved in the relevant field in accordance with the Act on verification and recognition of the results of further education.

A citizen of the Czech Republic or of other European Union Member States (including citizens of other Member States covered by the European Economic Area Treaty and citizens of Switzerland, their family members, individuals with the status of long-term resident and their family members to whom long-term residence in the Czech Republic has been permitted) can also demonstrate his/her professional competence for trades listed in Appendix No. 1 of the Small Business Act by relevant documents in accordance with the Art. 21, Paragraph 2 of the Act, which verifies that he or she has carried out the relevant activity in another member state of the European Union.

Certificates of professional competence (as stated above for trade) may be substituted based on documentation demonstrating:

- Due completion of secondary education with vocational certificate in a related field of education and a certificate of one year experience in the field or a related field,
- Due completion of secondary education with GCSE in a related field of education and a certificate of one year experience in the field or a related field,
- Due completion of advanced specialised education in a related field of education and a certificate of one year experience in the field or a related field,
- Due completion of university education in the related field of study programs and courses of study,
- Due completion of retraining for the relevant work activity, issued by a facility accredited in accordance with special legislation or facility accredited by the Ministry of Education, Youth and Sports, or by a Ministry, under which jurisdiction is the sector in which the business is operated, and a certificate of one year experience in the field or a related field
- Performance of six years practise in the field or a related field.

Professional competence for regulated trades is defined in Appendix No. 2 of the Small Business Act or regulated by specific legal regulations described in this Appendix. Citizens of the Czech Republic or of other member states of the European Union (including citizens of

other member states covered by the European Economic Area Treaty and citizens of Switzerland, their family members, individuals with the status of long-term resident and their family members to whom long-term residence in the Czech republic has been granted) can verify their professional qualifications using the document regarding the recognition of professional qualifications issued by the certification body (Ministry of Industry and Trade) in accordance with the Act on the recognition of professional skills.

Professional competencies for licensed trades are stipulated in Appendix No. 3 of the Small Business Act or regulated by special legal regulations defined in this Appendix. Citizens of the Czech Republic or another member state of the European Union (including citizens of other member states covered by the European Economic Area Treaty and citizens of Switzerland, their family members, individuals with status of long-term resident and their family members to whom long-term residence in the Czech republic has been granted) can verify their professionals qualification using the document regarding the recognition of professional qualifications issued by the certification body (Ministry of Industry and Trade) in accordance with the Act on the recognition of professional skills. The Trades Licensing Office stipulates or amends conditions for conducting a trade, in accordance with the Small Business Act or in accordance with special legal regulations.

How do I declare a trade or apply for a licence?

A declaration or an application for a licence may be submitted in person at any local Trades Licensing Office – central registration point (CRP) or sent to this authority by mail or by e-mail (with a verified electronic signature). Additionally it is possible to submit a declaration (application) through a contact point of the public service (Czech POINT).

To which Trades Licensing Office a declaration or an application for a licence should be submitted?

A declaration or an application for a licence can be submitted at any local Trades Licensing Office in the Czech Republic or through a contact point of the public service (Czech POINT).

Which documents should be submitted to the Trades Licensing Office when declaring a trade or applying for a licence?

- A declaration of a trade or an application for a licensed trade (filled-in in advance or directly at the Trades Licensing Office).
- A declarer or applicant who is a foreign physical entity submits an extract from the Penal Register, or an equivalent document issued by the relevant judicial or state body of this state, or the member state of the most recent place of residence (in the event that the most recent place of residence is the Czech Republic, the Trades Licensing Office itself requests an extract from the Penal Register). If the relevant state does not issue this type of a document, the physical entity submits a declaration of irreproachable character, made before a notary public or an administrative body of the relevant member state, according to the citizenship of the physical entity, or before a notary public or an administrative body of the member state of the most recent previous place of residence (not more than 3 months old). This document can be substituted by a certificate of professional qualification, in accordance with the act on the recognition of professional qualifications, demonstrating that the condition of

irreproachable character has been satisfied. In the event that a responsible representative is appointed – an extract from the Penal Register or the alternative aforementioned document, proving the representative's irreproachable character, in the event that the responsible representative is a citizen of an European Union member state or a citizen of a member state covered by the European Economic Area Treaty or the Swiss Confederation, his/her family members, an individual with the status of a long-term resident and his/her family members to whom long-term residence in the Czech Republic has been granted. These documents must not be more than 3 months old.

- A declaration by a responsible representative (if a representative is appointed) of acceptance of the appointment; the signature attached to this statutory declaration must be officially attested, unless the responsible representative signs the declaration in person at the Trades Licensing Office. This usually does not apply to declare free trades.
- A document supporting the professional qualifications of the entrepreneur or of his responsible representative. This does not concern declared free trades.
- A certificate of the legal basis for the use of the premises stated by the physical entity as the place of business; if different from the applicant's residence (if the applicant intends to establish an organisational unit of the enterprise, the same documents must also be submitted for the organisational unit).
- If an organisational unit of the enterprise is established in the Czech Republic, a document proving that the applicant has an enterprise outside the Czech Republic must also be submitted.
- Certificate for the payment of the administration fee.
- If the Trades Licensing Office has no doubts about the accuracy of the translation or of the authenticity of a signature or a seal, the documents presented, if not issued in Czech, do not need to be officially translated into Czech (i.e. by a translator listed in the register of experts and interpreters) and the authenticity of the signature or seal on the documents does not need to be verified.

The required forms and where they may be obtained:

The “Unified Registration Form for Physical Entities” (URF), which permits individuals to file the documents of other authorities at any Trade Licensing Office (Revenue Authority, Social Security Administration, health insurance company and Labour Office). This form can be obtained from any Trade Licensing Office – central registration point (CRP) or it is freely available on the Internet pages of the Ministry of Industry and Trade at www.mpo.cz.

Physical entities normally state the following details on the declaration or application forms:

- Name and surname, optionally also the commercial company, if the relevant physical entity has been recorded in the Commercial Register.
- Citizenship.
- Personal identification number, if this number has been allocated, otherwise date of birth

- Permanent address outside the Czech Republic, place of residence in the Czech Republic (if a residence permit has been granted), name and location of the organisational unit of the enterprise in the Czech Republic (name of the town; district of the town; street name; description and reference number, if applicable; post code) and details concerning the head of the organisational unit of the enterprise (name and surname, citizenship, place of residence, personal identification number, if allocated, otherwise the date of birth)
- If the trade is operated through a responsible representative, details relating to this person are given (name and surname, citizenship, place of residence, personal identification number, if allocated, otherwise the date of birth, place of birth and family name)
- Subject of the enterprise. In the case of free trades – the subject of the enterprise, indicating the fields of business activities, in accordance with Appendix No. 4, which will be undertaken. In the event of craft trades – the subject of the enterprise in accordance with Appendix No. 1, in full or to a partial extent. For regulated trades - subject of the enterprise, stated in accordance with Appendix No. 2, in full or to a partial extent. In the case of licensed trades - subjects of enterprise, referred to in full or to a partial extent, in accordance with Appendix No. 3 of the Small Business Act.
- Place of business (name of the town; district of the town; street name; description and reference number, if applicable; post code)
- Identification number, if this number has been allocated
- Business premise or premises where trading operation will commence, immediately after the issuance of a trade licence, except for mobile premises and automats.
- Date of the commencement of trading operation
- Date of termination of trading operation, in the event that the physical entity intends to operate the trade for a finite period of time
- Date of the issuance of the trade licence, if later than the date of declaration
- The entrepreneur can additionally state in the Unified Registration Forms details necessary for submission to the other authorities listed above.

The basic administrative fees and how they may be paid:

- 1,000 CZK for declaring a trade, on the basis of commencement of business operation.
- 500 CZK for every subsequent declaration of a trade, regardless of whether one or more trades are declared at the same time.
- 1,000 CZK for the acceptance of the application for a licence for the purpose of commencement of business operation.
- 500 CZK for acceptance of every subsequent application for licence.

The fee is collected only once, if more trades are declared at the same time or if a trade is declared and an application for a licence is submitted at the same time. It is possible to pay the fee in cash at the Trades Licensing Office or via a postal payment or through a bank transfer.

- 50 CZK for acceptance of a submission by a contact point, in the event that the submission has been conducted via a public service contact point of (in addition to the above mentioned administrative fee).

These issues are regulated according to Act No. 634/2004 Coll., on administrative fees, as amended – Lot No. 24 Scale of charges.

What are the time factors for registering on the Trades Register:

The Trades Licensing Office is obliged to make an entry on the Trades Register within 5 days from receiving a declaration, unless the entrepreneur failed to meet the legally defined conditions.

The Trades Licensing Office decides on the granting of a licence within 30 days from receiving the application, in the event that all requirements have been met. The Trades Licensing Office makes an entry to the Trades Register and issues a licence deed to the entrepreneur within 5 days of the legal validity of the decision to grant the licence.

The following electronic service option is available for your utilisation:

Contacts to the Trades Licensing Offices in the City of Prague and in individual regions of the Czech Republic are available on the server <http://portal.gov.cz/>, link – Directory (divided according to regions).

The procedure is carried out in accordance with the following legal regulation:

Act No. 455/1991 Coll., on commercial activities (Small Business Act), as amended.

What other regulations are related:

The Small Business Act is closely connected with other Acts and legal regulations:

- Commercial Code, Act No. 513/1991 Coll., as amended;
- Civil Code, Act No. 40/1964 Coll., as amended;
- State Supervision Act, Act No. 552/1991 Coll., as amended;
- Penal Law, Act No. 140/1961 Coll., as amended;
- Misdemeanours Act, Act No. 200/1990 Coll., as amended;
- Administrative Procedure Code, Act No. 500/2004 Coll., as amended;
- Administrative Fees Act, Act No. 634/2004 Coll., as amended;
- Administration of Fees and Taxes Act, Act No. 337/1992 Coll., as amended;
- Social Security and Contributions to the State Employment Policy Act, Act No. 589/1992 Coll., as amended;
- Income Tax Act, Act No. 586/1992 Coll., as amended;
- Act on recognising qualifications and other competences of citizens of EU member states and on changes to certain acts (Recognising Qualifications Act), Act No. 18/2004 Coll., as amended;

- Employment Act, Act No. 435/2004 Coll., as amended;
- Insolvency Act, Act No. 182/2006 Coll., on bankruptcy and methods of its resolution, as amended;
- Act No. 179/2006 Coll., on verification and recognition of further education results, as amended;
- Act No. 365/2000 Coll., on public administration information systems and amendments to certain acts;
- A range of other legal regulations of a technical character, dependent on the relevant business activity

Procedure of the Trades Licensing Office after the declaration of a trade or after an application for a licence has been submitted:

If a declaration does not include all the required particulars, the Trades Licensing Office will request the entrepreneur to correct the faults within 5 days from the date of the declaration of the trade. In the request, the Trades Licensing Office specifies a reasonable time limit for correction of these faults, with a maximum duration of 15 days. The time limit for entry into the Trades Register is not operative during the period specified in the request. If justifiable reasons persist, the Trades Licensing Office may prolong the time limit repeatedly at the entrepreneur's request. If the entrepreneur corrects the detected faults within the determined or the prolonged time limit, the declaration is deemed correct from its initiation. If the entrepreneur fails to correct the detected faults within the determined or prolonged time limit, the Trades Licensing Office commences proceedings and decides that the trade licence did not originate within the declaration. If the applicant corrects the faults prior to the issuance of that decision and the Trades Licensing Office concludes that all the conditions for granting a trade licence have been met, the Trades Licensing Office discontinues the proceedings by an entry into the Trades Register and issues a trade certificate.

If the Trades Licensing Office concludes that an application for a licence does not include all the required particulars, the Trades Licensing Office requests the entrepreneur to correct the faults within 30 days of receiving the application. If justifiable reasons exist, the Trades Licensing Office may, at the entrepreneur's written request, prolong the time limit, even repeatedly. The time limit for issuing a decision on granting a licence is not operative during the period specified in the request. If the entrepreneur corrects the detected faults within the determined or prolonged time limit, the Trades Licensing Office commences processing the application. If the entrepreneur fails to correct the faults within the time limit, the Trades Licensing Office discontinues the proceedings.

If you desire more information about this subject please contact:

Directly your local Trades Licensing Office – central registration point (CRP), or their Internet pages.

Related procedures, guidelines for addressing these procedures and other documents:

See the commercial activities guide (life situations) at www.mpo.cz.

The entity responsible for the accuracy of the guidelines:

Matters related to trades licences fall within the scope of the Trades Department of the Ministry of Industry and Trade of the CR

tel. +420 224 85 2665

These guidelines have been concluded in accordance with legal validity as of:

30th September 2008

These guidelines were most recently updated and their accuracy was verified as of:

30th September 2008

The validity of these guidelines

Alterations to and expiration of the validity of these guidelines are contingent upon the legally adopted regulations relating to small businesses.

**Submitting a declaration of a trade and an application for a licence by a physical person with a permanent address outside the Czech Republic
(Foreign physical entity who is not a citizen of a European Union nation nor of an EEA member state nor a citizen of Switzerland)**

According to Art. 2 of the Small Business Act, a trade is a continuing activity carried out independently, under an individual's own name, at his/her own responsibility, to achieve a profit, and subject to the conditions specified by the Small Business Act. No special conditions (i.e. professional qualifications) are prescribed in the case of free trades, and entrepreneurs need only to meet the general conditions for operating a trade. In the case of craft trades, entrepreneurs must meet the conditions for professional qualification, in addition to the general conditions for operating a trade. (Craft trades are listed in Appendix No. 1 to the Small Business Act.) In the case of regulated trades, entrepreneurs must meet the conditions for professional qualification, as regulated by Appendix No. 2 to the Small Business Act or as prescribed by the special laws defined in this appendix, in addition to the general conditions for operating a trade. (Regulated trades are listed in Appendix No. 2 to the Small Business Act.) In the case of licensed trades, in addition to the general conditions for operating a trade, entrepreneurs must meet the special conditions for operating a trade, i.e. professional competence, as regulated for licensed trades by the special regulations stipulated in Appendix No. 3 to the Small Business Act or as determined by the special laws defined in this appendix. The state's permission to operate a trade (hereinafter a "licence") is required only in such cases as are determined according to the Small Business Act.

Who can declare a trade or submit an application for a licence?

A physical entity with a permanent address outside the Czech Republic ("a foreign physical entity") can operate a trade in the Czech Republic under the same conditions and to the same extent as a Czech citizen, unless the Small Business Act or a special act stipulate otherwise. A foreign physical entity which intends to operate a business in the Czech Republic and who is not a citizen of a European Union member state or a citizen of a member state included in the European Economic Area Treaty or the Swiss Confederation, must, for this purpose have a residence permit for the Czech Republic, with the exception that he/she intends to operate the business in the Czech Republic through an organisational unit of the company. A physical entity who obtains asylum in the Czech Republic, in accordance with special regulations, can operate a business under the same conditions as a citizen of the Czech Republic with a permanent address in the Czech Republic.

What are the conditions for operating a trade?

The general conditions for operating a trade by physical entities are as follows:

- Minimum age of 18 years.
- Competence to undertake legal acts.
- Irreproachable character.

Proof of professional competence is not a requirement for operating a free trade. Operating a free trade is conditional on declaring a trade. Operating a craft, regulated or licensed trade is, in addition, conditional on meeting the special regulations for operating a trade, which are, for example, professional or other special competencies.

Professional competence for operating craft trades is demonstrated by a document proving:

- Due completion of secondary school, with a vocational certificate in a relevant area of education,
- Due completion of secondary school with a graduation examination in relevant area of education or with special training in subjects in the relevant field,
- Due completion of advanced specialised studies in the relevant area of education,
- Due completion of university education in a relevant area and programme of studies,
- Authentication or recognition of a completed qualification, achieved in a relevant field, in accordance with the Act on the verification and recognition of the results of further education.

Certificates of professional competence (as stated above for craft trade) may be substituted by documents concerning:

- Due completion of secondary education with a vocational certificate in a related field of education and a certificate of one year's experience in the field, or in a related field,
- Due completion of secondary education with GCSE in a related field of education and a certificate of one year's experience in the field, or in a related field,
- Due completion of advanced specialised education in a related field of education and a certificate of one year's experience in the field, or in a related field,
- Due completion of university education in a study programme and courses of study in a related field,
- Due completion of retraining for the relevant work activity, issued by a facility accredited according to special legislation, or a facility accredited by the Ministry of Education, Youth and Sports, or by a Ministry, under the jurisdiction of which the specific sector of business is operated, and a certificate of one year's experience in that field or in a related field,
- Performance of six years practical work in the field or a related field.

Professional competence for regulated trades is stipulated in Appendix No. 2 of the Small Business Act or governed by the special legal regulations described in this Appendix. Members of families of citizens of the member states of the European Union and of other member states covered by the European Economic Area Treaty and citizens of Switzerland, individuals with the status of long-term resident and their family members to whom long-term residence in the Czech Republic has been permitted, can prove their professional qualification with a document concerning the recognition of a professional qualification issued by a certification body (Ministry of Industry and Trade) in accordance with the Act on the recognition of professional competence.

Professional competence for licensed trades is stipulated by special legal regulations determined in Appendix No. 3 of the Small Business Act or regulated by this Appendix. The Trades Licensing Office stipulates or amends the conditions for the entrepreneur for conducting a trade in accordance with the Small Business Act or in accordance with special legal regulations.

How to declare a trade or apply for a licence?

A declaration of a trade can be submitted in person at any local Trades Licensing Office – central registration point (CRP) or sent to this authority by mail or by e-mail (with a verified electronic signature). Additionally it is possible to submit a declaration (application) through a contact point of the public service (Czech POINT).

To which Trades Licensing Office should a declaration or an application for a licence be submitted?

A declaration can be submitted at any local Trades Licensing Office in the Czech Republic or through a contact point of the public service (Czech POINT).

Which documents should be submitted to the Trades Licensing Office when declaring a trade or applying for a licence?

- A declaration of a trade or application for a licensed trade (completed in advance or directly at the Trades Licensing Office).
- A declarer or an applicant, who is a foreign physical entity, submits an extract from the Penal Register or an equivalent document issued by a state, in accordance with the citizenship of the physical entity. In the event that the relevant state does not issue this extract from the criminal record or an equivalent document, the physical entity submits a declaration of irreproachable character made before a notary public or an administrative body of the state, according to the citizenship of the physical entity, or in front of a notary public or a body of the member state of his/her most recent previous place of residence. These documents must not be more than 3 months old. In the case of a family member of a citizen of an European Union member state or a citizen of a member state covered by the European Economic Area Treaty or the Swiss Confederation, an individual with the status of a long-term resident and his/her family members to whom long-term residence in the Czech Republic has been granted, an extract from the Penal Register or an equivalent document issued by the relevant judicial or administrative body of the state of the most recent previous place of residence (in the event that the most recent previous place of residence is the Czech Republic, the Trades Licensing Office itself requests an extract from the Penal Register). If the relevant state does not issue this type of a document, the physical entity submits a declaration of irreproachable character made before a notary public or a body of the relevant member state, in accordance with the citizenship of the physical entity, or before a notary public or a body of the member state of the most recent previous place of residence. These documents must not be more than 3 months old.
- If a responsible representative is appointed, who is a citizen of a European Union member state or a citizen of a member state covered by the European Economic Area Treaty or the Swiss Confederation, his/her family members, an individual with the status of a long-term resident and his/her family members to whom long-term

residence in the Czech Republic has been granted, she/he submits above mentioned documents which must not be older than 3 months. In the event that a responsible representative is a citizen of a state other than the above mentioned states, the Trades Licensing Office itself requests an extract from the Penal Register

- A declaration by the responsible representative (if a representative is appointed) about acceptance of the appointment; the signature attached to this statutory declaration must be officially attested, unless the responsible representative signs the declaration in person at the Trades Licensing Office.
- Document proving the professional qualification of the entrepreneur or of his responsible representative. This does not concern free trades.
- A certificate of the legal basis for the use of the premises stated by the physical entity as the place of business (if the applicant intends to establish an organisational unit of the enterprise, the same documents must be submitted for the organisational unit).
- If an organisational unit of the enterprise is established in the Czech Republic, a document proving that the applicant has an enterprise outside the Czech Republic must also be submitted in addition to documents concerning its operation.
- Certificate of payment of the administrative fee.
- Proof of a residence permit in the Czech Republic in accordance with Art. 5, Paragraph 5 of the Small Business Act.
- All documents, which have not been issued in the Czech language, must be submitted together with their official translation (this does not apply for documents in the Slovak language). The authenticity of the signature or seal on the document must be verified.

What the necessary forms are and where they can be obtained:

The “Unified Registration Form for Physical Entities“ (URF), which allows individuals to file documents for other relevant authorities at any Trades Licensing Office (Revenue Authority, Social Security Administration, health insurance company and Labour Office). This form can be obtained from any Trades Licensing Office – central registration point (CRP) or it is freely available on the Internet pages of the Ministry of Industry and Trade at www.mpo.cz.

Physical entities principally state the following details on the declaration of trade or application for license forms:

- Name and surname, optionally also the commercial company if it has already been recorded in the Commercial Register.
- Citizenship.
- Personal identification number, if this number has been allocated, otherwise date of birth
- Permanent address outside the Czech Republic, place of residence in the Czech Republic (if a residence permit has been granted), name and location of the organisational unit of the enterprise in the Czech Republic (name of the town, district of the town, street name, description and reference number, if applicable, post code) and details concerning the head of the organisational unit of the enterprise (name and surname, citizenship, place of residence, personal identification number, if allocated, otherwise date of birth)

- If the trade is operated through a responsible representative, details concerning this person are stated (name and surname, citizenship, place of residence, personal identification number, if allocated, otherwise the date of birth, place of birth and name prior to marriage)
- Subject of the enterprise. In the case of free trades – the subject of the enterprise indicating the fields of business activity, in accordance with Appendix No. 4, which will be undertaken. In the event of craft trades – the subject of the enterprise in accordance with Appendix No. 1, in full or partial extent. For regulated trades – the subject of the enterprise stated in accordance with Appendix No. 2, in partial or full extent. In the event of licensed trades – the subject of the enterprise, referred to in full or partial extent, in accordance with Appendix No. 3 of the Small Business Act.
- Place of business (name of the town, district of the town, street name, description and reference number, if applicable, post code).
- Identification number, if this number has been allocated.
- Business premise or premises where the trade operation will commence immediately after the origination of a trade licence, except for mobile premises and automats.
- Date of commencement of the trade operation.
- Date of termination of the trade operation in the event that the physical entity intends to operate the trade for a finite period of time – an individual, of whom is required the responsibility of having a legal residence, in order to be able to conduct a business, can declare the conducting of business only for as long as the period of time for which residence has been permitted.
- Date of the origination of the trade licence, if later than the date of declaration

The entrepreneur can additionally state in the Unified Registration Forms details necessary for submissions to the other authorities listed above.

The basic administrative fees and how they may be paid:

- 1,000 CZK for declaring a trade for the purpose of commencement of business operation.
- 500 CZK for every subsequent declaration of a trade regardless of whether one or more trades is (are) declared at the same time.
- 1,000 CZK for acceptance of the application for a licence for the purpose of commencement of business operation.
- 500 CZK for acceptance of every subsequent application for a licence.

The fee is collected only once, regardless of whether more trades are declared at the same time or whether a trade is declared and an application for a licence is submitted at the same time. It is possible to pay the fee in cash at the Trades Licensing Office or via a postal payment or through a bank transfer.

- 50 CZK for acceptance of the submission by a contact point, in the event that the submission has been carried out through a contact point of public service (in addition to the above mentioned administrative fee).

These issues are regulated according to Act No. 634/2004 Coll., on administrative fees, as amended – Lot No. 24 Scale of charges.

What are the time factors for registering on the Trades Register:

The Trades Licensing Office is obliged to make an entry to the Trades Register within 5 days from receiving a declaration and to issue an extract for the entrepreneur, unless the entrepreneur failed to meet the conditions determined by law. For foreign entities which are to be entered in the Trades Register, meeting the requirements for conducting a trade is confirmed by the issuance of the extract. For these entities the business license originates on the date of entry in the Trades Register. In the event that they do not submit a proposal for an entry within 90 days of receipt of the statement or if the request is not granted, the Trades Licensing Office decides that the declarer has not complied with the conditions for the issuance of the trade license.

The Trades Licensing Office decides on the granting of a licence within 30 days from the receipt of the application by the local Trades Licensing Office, in the event that all conditions have been met. The Trades Licensing Office makes an entry to the Trade Register and issues a licence deed to the entrepreneur within 5 days of the legal effectiveness of the decision on granting a licence.

For foreign entities which are to be entered in the Trades Register the fulfilment of the conditions for conducting a trade is confirmed by the issuance of the extract. For these entities the business licence originates on the date of the entry in the Trades Register. In the event that they do not submit a proposal for an entry within 90 days of receipt of the statement or if the request is not granted, the Trades Licensing Office determines that the declarer has not complied with the conditions for the issuance of the trade licence.

The following electronic service may be utilised:

Contacts to the Trades Licensing Offices in the City of Prague and in individual regions of the Czech Republic are available on the server <http://portal.gov.cz/>, link – Directory (divided according to regions).

The procedure is carried out in accordance with the following legal regulation:

Act No. 455/1991 Coll., on commercial activities (Small Business Act), as amended.

Which regulations are related:

The Small Business Act is closely connected with other acts and legal regulations:

- Commercial Code, Act No. 513/1991 Coll., as amended;
- Civil Code, Act No. 40/1964 Coll., as amended;
- State Supervision Act, Act No. 552/1991 Coll., as amended;
- Penal Law, Act No. 140/1961 Coll., as amended
- Misdemeanours Act, Act No. 200/1990 Coll., as amended;
- Administrative Procedure Code, Act No. 500/2004 Coll., as amended;
- Administrative Fees Act, Act No. 634/2004 Coll., as amended;
- Administration of Fees and Taxes Act, Act No. 337/1992 Coll., as amended;

- Social Security and Contributions to the State's Employment Policy Act, Act No. 589/1992 Coll., as amended;
- Income Tax Act, Act No. 586/1992 Coll., as amended;
- Act on recognising qualification and other competence of citizens of EU member states and on changes to certain acts (Recognising Qualification Act), Act No. 18/2004 Coll., as amended;
- Employment Act, Act No. 435/2004 Coll., as amended;
- Insolvency Act, Act No. 182/2006 Coll., on bankruptcy and methods of its resolution, as amended;
- Act No. 179/2006 Coll., on verification and recognition of further education achievement, as amended;
- Act No. 365/2000 Coll., on public administration information systems and amendments to certain acts;
- A range of other legal regulations of a technical nature, depending on the specific business activity

Procedure of the Trades Licensing Office after the declaration of a trade or after an application for a licence has been submitted:

If a declaration does not include all the required particulars, the Trades Licensing Office will request the entrepreneur to correct the faults within 5 days from the date of the declaration of the trade. In the request, the Trades Licensing Office specifies a reasonable time limit for correction of these faults, with a maximum duration of 15 days. The time limit for entry into the Trades Register is not operative during the period specified in the request. If justifiable reasons persist, the Trades Licensing Office may prolong the time limit repeatedly at the entrepreneur's request. If the entrepreneur corrects the detected faults within the determined or the prolonged time limit, the declaration is deemed correct from its initiation. If the entrepreneur fails to correct the detected faults within the determined or prolonged time limit, the Trades Licensing Office commences proceedings and decides that the trade licence did not meet conditions for the origination of a trade certificate. If the applicant fails to correct the detected faults within the determined or prolonged time limit, the Trades Licensing Office commences proceedings and decides that the trade license did not ensue or that the applicant did not meet the conditions for issuance of a trade certificate. If the applicant corrects the faults prior to the issuance of the decision and the Trades Licensing Office concludes that all the conditions for granting a trade licence have been met, the Trades Licensing Office discontinues the proceedings by making an entry into the Trades Register and issues an extract.

If the Trades Licensing Office concludes that an application for a licence does not include all the required particulars, the Trades Licensing Office requests the entrepreneur to correct the faults within 30 days of receipt of the application. If justifiable reasons exist, the Trades Licensing Office may, at the entrepreneur's written request, prolong the time limit, even repeatedly. The time limit for issuing a decision on granting a licence is not operative during the period specified in the request. If the entrepreneur corrects the detected faults within the determined or prolonged time limit, the Trades Licensing Office commences processing the application. If the entrepreneur fails to correct the faults within the time limit, the Trades Licensing Office discontinues the proceedings or, in the event that the applicant does not meet

the conditions for granting a licence, the Trades Licensing Office rejects an application for a licence).

If you wish to know more about this subject please contact:

Directly - any Trades Licensing Office – central registration point (CRP), or their Internet pages.

Related procedures, guidelines for addressing these procedures and other documents:

See commercial activities guide (“life situations”) at www.mpo.cz.

The entity responsible for the accuracy of the guidelines:

Matters related to trades licences fall within the scope of the Trades Department of the Ministry of Industry and Trade of the CR

tel. +420 224 85 2665

These guidelines have been concluded in accordance with legal validity as of:

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The validity of these guidelines

Changes to and the expiration of the validity of these guidelines are connected with the adoption of legal regulations relating to small businesses.

II. Structure and Extent of the Authority of the Trades Licensing Office

III. Network of Trades Licensing Offices

Public administration of commercial activities is executed through a system of Trades Licensing Offices, comprising, in accordance with the provision of Art. 1 of Act No. 570/1991 Coll., on Trades Licensing Offices, as amended (Act No. 286/1995 Coll., Act No. 132/2000 Coll., Act No. 320/2002 Coll., Act No. 284/2004 Coll., Act No. 70/2006 Coll., Act No. 214/2006 Coll.):

- Local Trades Licensing Offices
- Regional Trades Licensing Offices
- The Trades Licensing Office of the Czech Republic.

Local Trades Licensing Offices are departments of municipal authorities of municipalities with extended authority¹ and, in the City of Prague, the trades licensing departments of the city district authorities, as defined by the Statutes of the City of Prague².

Regional Trades Licensing Offices are departments of regional authorities³ and in the City of Prague the trades licensing department of the City Council of the City of Prague⁴.

The competence of the Trades Licensing Office of the Czech Republic is currently conducted by the Ministry of Industry and Trade of the Czech Republic. The Ministry of Industry and Trade is the central administrative authority for commercial activities.

IV. The Extent of the Authority of Trades Licensing Offices

The extent of the competence and authority of Trades Licensing Offices is determined by the law.

According to the provision of Art. 2 of the Act on Trades Licensing Offices, a local Trades Licensing Office conducts activities within the extent stipulated by Act No. 455/1991 Coll., on commercial activities (Small Business Act), carries out other tasks stipulated by special legal regulations and operates as a central registration point:

- a) Accepts registration of applications or declarations in accordance with special legal regulations (Art. 33 of Act No. 337/1992 Coll., on administration of taxes and fees, as amended) from persons who carry out a trade under a trade licence;
- b) Accepts notifications and declarations related to social security from persons who carry out a trade under a trade licence, to the extent stipulated by special legal regulations (Art. 10a of Act No. 582/1991 Coll., on organisation and execution of social security, as amended by Act No. 214/2006 Coll.);

¹ Art. 66 of Act No. 128/2000 Coll., on municipalities (municipal system), as amended. Act No. 314/2002 Coll., on determining municipalities with an appointed municipal authority and determining municipalities with extended authority.

² Art. 17, Paragraph 1, letter a) of Act No. 131/2000 Coll., on the City of Prague.

³ Art. 68, Paragraph 2 of Act No. 129/2000 Coll., on regions (regional system), as amended.

⁴ Art. 81, Paragraph 4 of Act No. 131/2000 Coll., as amended by Act No. 145/2001 Coll.

- c) Accepts notifications of open or filled vacancies from persons who carry out a trade under a trade licence (Art. 35 of Act No. 435/2004 Coll., on employment, as amended);
- d) Accepts notifications and declarations of physical entities who carry out a trade under a trade licence addressed to health insurance companies, to the extent stipulated by a special legal regulation (Art. 10a of Act No. 48/1997 Coll., on public health insurance and changes and amendments to some related acts, as amended by Act No. 214/2006 Coll.).

Furthermore, local Trades Licensing Offices pass on accepted submissions to the relevant administration authorities (Art. 45a, Paragraph 4 of the Small Business Act) within the deadlines stipulated by a special legal regulation (Art. 45a, Paragraph 6 of the Small Business Act) and the relevant state administration authorities proceed in accordance with the relevant special legal regulations. Furthermore, local Trades Licensing Offices are administrators (Art. 2 of Act No. 365/2000 Coll., on public administration information systems, as amended by Act No. 517/2002 Coll.) of the Trades Register.

While carrying out their activities, local Trades Licensing Offices are obliged to comply with the generally binding legal regulations, government decrees, decrees of the Ministry of Industry and Trade, published in the prescribed manner, and measures taken by regional authorities during inspections of public administration activities carried out by municipalities.

The territorial districts of local Trades Licensing Offices are determined by a Decree of the Ministry of Interior No. 388/2002 Coll., on determining the administrative districts of municipalities with an appointed municipal authority and administrative districts of municipalities with extended authority, as amended.

In accordance with the provisions of Art. 3 of the Act on Trades Licensing Offices regional Trades Licensing Offices control, coordinate, supervise and carry out methodical activities, including acting as the central registration point for the activities of local Trades Licensing Offices in their relevant administrative districts; regional Trades Licensing Offices can instruct local Trades Licensing Offices in their administrative districts to carry out trade inspections, issue decisions on appeals against the decisions of local Trades Licensing Offices in their administrative districts, cooperate in commercial activities with the competent administrative authorities for the individual fields to which the commercial activities relate, cooperate with chambers of commerce and unions and associations of entrepreneurs, are entitled to request all necessary statements and communications from the central administrative authorities, are the operator (Art. 2 of Act No. 365/2000 Coll., on public administration information systems, as amended by Act No. 517/2002 Coll.) of the Trades Register, and carry out other tasks determined by the special legal regulations.

While carrying out their activities, regional Trades Licensing Offices are obliged to comply with generally binding legal regulations, decrees of the government and decrees of the Ministry of Industry and Trade published in the prescribed manner. Regional Trades Licensing Offices are supervised by the Ministry of Industry and Trade.

The Ministry of Industry and Trade fulfils the role of the Trades Licensing Office of the Czech Republic until its future establishment (Art. 7 of the Act on Trades Licensing Offices) and within its defined sphere of authority, in accordance with Art. 5 of the Act on Trades Licensing Offices, defines concepts for commercial activities, controls, coordinates, supervises and carries out methodical activities for regional Trades Licensing Offices; the Trades Licensing Office of the Czech Republic can instruct Trades Licensing Offices to carry

out a trade inspection, acts as the administrative authority of first recourse in cases determined by the law, adjudicates appeals against the decisions of regional Trades Licensing Offices, cooperates in commercial activities with the competent administrative authorities for individual fields related to commercial activities, cooperates with chambers of commerce and unions and associations of entrepreneurs, is entitled to request all necessary statements and communications from the central administrative authorities, is the operator (Art. 2 of Act No. 365/2000 Coll., on public administration information systems, as amended by Act No. 517/2002 Coll.) of the Trades Register, and performs other tasks determined by special legal regulations.

An administrative action, in accordance with Art. 65 and the following articles of Act No. 150/2002 Coll., Administrative Procedure Code, can be filed against a final decision of a regional Trades Licensing Office, or the Ministry of Industry and Trade.

- a) The territorial jurisdiction of Trades Licensing Offices for declaring a trade (Art. 45, Paragraph 1 of the Small Business Act) or for submission of an application for a licence (Art. 50, Paragraph 1 of the Small Business Act):

Any physical entity intending to operate a declared or a licensed trade is obliged to submit a declaration or an application for a licence to any Trades Licensing Office. The same conditions apply concerning notifications of changes and amendments regarding information and documents, which are determined for declaration of a trade and as requirements for application for a licence (and for submission of the above mentioned documents) – compare Art. 71, Paragraph 1, of the Small Business Act.

- b) In proceedings regarding administrative offences committed by a corporation or a physical entity carrying out business in accordance with the Small Business Act and in proceedings about the cancellation of a business licence or suspension of performance of a trade, the territorial jurisdiction is determined in accordance with the Administrative Procedure Code – compare to Art. 71, Paragraph 2 of the Small Business Act. Specifically this means that the territorial jurisdiction of Trades Licensing Offices, for example for bringing sanctions against unauthorised enterprises or other offences against the trade regulations is determined according to the place of the relevant offence, i.e. the place where the actions related to the performance of unauthorised commercial activity were carried out (Art. 11, Para. 1, section a) of Act No. 500/2004 Coll., Administrative Procedure Code, as amended, hereinafter referred to only as the “Administrative Procedure Code”).

In proceedings regarding administrative offences committed in connection with administrative acts (e.g. unreported changes of residence, domicile, commencement and discontinuation of operations in premises, etc.), the territorial jurisdiction of the Trades Licensing Office is, in the case of physical entities (Art. 11, Paragraph 1c of the Administrative Procedure Code), determined according to the location of a registered office, in the case of a corporation it is determined according to the location of its domicile and in the case of a foreign corporation the territorial jurisdiction is determined by the domicile of its organisational unit established in the Czech Republic (Art. 11, Paragraph 1e of Administrative Procedure Code).

In proceedings regarding misdemeanours, the territorial jurisdiction of the Trades Licensing Office is determined in accordance with Act No. 200/1990 Coll., On misdemeanours, as amended; which means the location where a misdemeanour was committed (Art 55 of quoted Act).

List of activities on the first level carried out by local Trades Licensing Offices

Act No. 455/1991 Coll., on commercial activities (Small Business Act),
as amended

1.	Art. 6 Paragraph 3	Requesting of extracts from the Penal Register
2.	Art. 8 Paragraph 2	Possibility of condoning obstruction as defined in Art. 8 Paragraph 2 sections 1 and 2
3.	Art. 10 Paragraph 4	Validation of fulfilment of conditions for conducting a business by issuance of a certificate
4.	Art. 10 Paragraph 5	Decision of a Trades Licensing Office that an applicant has not met the conditions for the issuance of trade licence
5.	Art. 11 Paragraph 7	Approval of responsible representatives for licensed trades
6.	Art. 13 Paragraph 4	Making an entry to the Trades Register and issuance of certificates of a trade licence to statutory and/or testamentary heirs and/or the surviving spouse or partner, or a trustee in bankruptcy
7.	Art. 17 Paragraph 3	Requiring of entrepreneur to prove ownership or usufruct of the objects in and rooms of his/her premises; for a mobile premise requiring proof of the legality of the location of the premise
8.	Art. 17 Paragraph 6	Registration of the premises to the Trades Register and notification of the entrepreneur about the registration undertaken
9.	Art. 27 Paragraph 3	Determining or amending the conditions for the conducting of commercial activities
10.	Art. 28 Paragraph 3	Issuance of decisions on the extent of a trade licence in doubtful cases
11.	Art. 31 Paragraph 2	Requiring proof of the proprietary right or the right for the use of a business location, other than the residence, or the registered office, or the seat of the organisational unit of the enterprise (foreign persons)
12.	Art. 31 Paragraph 3	Requiring documentary evidence concerning the method of acquiring goods or materials
13.	Art. 31 Paragraph 8	Examining whether the knowledge of Czech or Slovak of an individual selling goods or providing services to customers in the business premises meets the required standard
14.	Art. 31 Paragraph 10	Requiring proof of identity from an entrepreneur or a physical entity operating a business which is the subject of a trade, of individuals dealing on their behalf and of responsible representatives
15.	Art. 31 Paragraph 13	Recording of an interruption in the conducting of a trade and/or continuance of conducting a trade to the Trades Register and informing the entrepreneur about these records
16.	Art. 31 Paragraph 15	Requiring information as to whether the entrepreneur is operating a business and the submission of documents proving the operation of a trade

17.	Art. 45a Paragraph 4a	Handing over to the relevant tax administrator carrying out the administration of income taxes details obtained in accordance with Art. 45a, Para. 1), section a) and in accordance with Art. 45a, Para. 2, section a); to the relevant social security authority details obtained in accordance with Art. 45a, Para. 1, sections b) to d); to the relevant Labour Office details under Art. 45a, Para. 1, section e) and in accordance with Art. 45a, Para. 2, section b); and to the relevant health insurance company details obtained under Art. 45, Para. 1, section f)
18.	Art. 45a Paragraph 6	Handing over details, including notification of their change to the relevant authorities
19.	Art. 47 Paragraph 1	Issuing a trade certificate
20.	Art. 47 Paragraph 4	Requesting entrepreneurs to correct errors in their declarations
21.	Art. 47 Paragraph 5	Issuing a decision that a trade licence did not originate from submission of a declaration; in the event of an entrepreneur not correcting the deficiencies of the declaration within the prescribed time limit, issuing a decision that the applicant did not fulfil the conditions for the issuance of the trade licence; if prior to the issuance of a decision it is concluded that the conditions for a licence have been met, the proceedings are terminated by an entry in the Trades Register and issuance of the certificate
22.	Art. 47 Paragraph 6	Issuing decisions stating that a trade licence was not issued on the basis of submission of a declaration, when an entrepreneur fails to meet the conditions defined by the Small Business Act; issuing decisions concerning an entrepreneur's failure to meet the conditions for issuance of a trade licence
23.	Art. 47 Paragraph 7	Issuing certificates to foreign physical entities who are obliged to present proof of a residence permit, stating that as of the date of issue their proof meets the general and special conditions for operating a trade
24.	Art. 47 Paragraph 8	Issuing trade certificates or notices about the commencement of proceedings regarding the non-issuance of a trade licence or notices of the applicant's failure to meet the conditions stated in Art. 47, Paragraph 7 for the issuance of a trade licence to foreign physical entities
25.	Art. 47 Paragraph 9	Requesting from a superior authority a prolongation of the time limit for issuance of a trade certificate; informing applicants about the prolongation of the time limit and the reasons for this prolongation
26.	Art. 47 Paragraph 10	If the entry in the Trades Register was conducted in violation of the law - the procedure of revocation of the trade certificate, conducting a new registration and issuance of a new statement or decision concerning the cancellation of the trade licence and issuance of a statement
27.	Art. 47 Paragraph 11	Undertaking the correction of an entry in the Trades

		Register and issuance of a new statement
28.	Art. 48 Paragraph 1	Sending copies of a certificate or changes in the Trades Register, details of other decisions and measures to the relevant income tax administrator, the Czech Statistics Office, the labour office, the relevant social security administration, the relevant health insurance company, if known, and to the authorities or organisations that maintain a register of all people insured by public health insurance, according to the special regulations
29.	Art. 48 Paragraph 2	Immediate notification of relevant bodies of the Foreigners and Border Police concerning certificates issued under Art. 47, Para. 7 of the Small Business Act to foreign physical entities, decisions on issuing a licence, suspension or cancellation of a trade licence, decisions regarding non-issuance of a trade licence due to the applicant's failure to meet the conditions for issuance of a trade licence, decisions on suspension of proceedings for granting a licence, and decisions on rejection of an application for a licence
30.	Art. 49 Paragraph 2	Making entries to the Trades Register and according to the circumstances of individual cases, issuance of a certificate or informing an entrepreneur about the entry conducted; requesting entrepreneurs to present documents if a change or addition has not been reported or has not been proved by evidence, in accordance with Paragraph 1, notification regarding submission of documents, assignation of time-limits, not making a record in the Trades Register prior to submission; in the event that a change of scale affects the subject of business and that this is not proved by documents, issuing the decision that the trade licence was not issued for the volume required.
31.	Art. 49 Paragraph 3	Recording of changes of a responsible representative in the Trades Register and informing entrepreneurs about the change; commencement of proceedings for suspending a trade, in the event that the responsible representative does not meet the conditions for operating a trade, or if an entrepreneur failed to appoint a representative
32.	Art. 51 Paragraph 1	In the event that the requirements for the application for a licence are not met, requesting entrepreneurs to correct errors in their licence applications
33.	Art. 51 Paragraph 2	Commencing proceedings for an application for a licence; terminating the proceedings if the entrepreneur fails to correct detected faults within the agreed time limit
34.	Art. 52 Paragraph 1	Presenting applications for a licence together with all necessary documents submitted by the applicant to a state administration authority for making a statement of their decision
35.	Art. 52 Paragraph 2	Possibility of asking other authorities for their statements concerning the nature of a trade as required or in the event of doubts

36.	Art. 52 Paragraph 3	Appropriate course of action according to Art. 47, Paragraphs 7 and 8 for foreign physical entities who are obliged to present their residence permits
37.	Art. 53 Paragraph 1	Examining whether the general and special conditions for operating a trade have been met and whether any impediment exists to undertaking a trade
38.	Art. 53 Paragraph 2	Rejecting applications for a licence
39.	Art. 53 Paragraph 3	Issuing decisions on appointing a responsible representative, as part of the decision on granting a licence
40.	Art. 53 Paragraph 4	Granting of a licence for the time period of the permitted residence of the person defined in Art. 5 Paragraph 5
41.	Art. 54 Paragraph 5	Stipulation of conditions for operating a trade, as part of the decision on granting a licence
42.	Art. 54 Paragraph 1	Making an entry to the Trades Register and issuance of a certificate
43.	Art. 54 Paragraph 2	For issuance of a certificate to use as an analogy the provisions of Paragraphs 2, 3 and 11 of Art. 47
44.	Art. 55 Paragraph 1	Duties to provide information by analogy with Art. 48
45.	Art. 55 Paragraph 2	Sending copies of final decisions on granting a licence and licence deeds, or extracts from these licences; decisions on their modification or cancellation; details concerning interrupting or suspending operation of a trade and providing details of a licensed trade and of the entrepreneur to the authority that provided its approval of a licence according to Art. 52, Paragraph 1, in the manner agreed
46.	Art. 56 Paragraph 2	Changes in decisions on granting a licence, making entries of changes to the Trades Register; issuing a certificate or informing entrepreneurs about the carrying out of the entry or of issuance of a decision concerning the suspension of business operations or about cancellation of a trade licence
47.	Art. 56 Paragraph 3	Issuing decisions concerning changes of the scope of the subject of business and of the conditions for operating a business by a change of decision on granting a license, making an entry to the Trades Register and issuance of a certificate
48.	Art. 57 Paragraph 2	Notifying a foreign physical entity of the requirement to submit a new residence permit
49.	Art. 57 Paragraph 3	Informing the authorities described in Art. 48 and Art. 55, Paragraph 2 about termination of a trade licence
50.	Art. 58 Paragraph 1a	Cancelling a trade licence in the event that an entrepreneur no longer meets the relevant conditions according to Art. 6, Paragraph 1, letter b) or c)
51.	Art. 58 Paragraph 1b	Cancelling a trade licence if impediments occur based on Art. 8, in the event that this does not concern impediments to free trade in accordance with Art. 8 Paragraph 5
52.	Art. 58 Paragraph 1c	Cancelling a trade licence at the entrepreneur's request
53.	Art. 58 Paragraph 1d	Cancelling a trade licence in the event that the entry in the Trades Register is based on a declaration contrary to law
54.	Art. 58 Paragraph 2	Cancelling a trade licence or suspending the operation of a

		trade, based on a requirement by a state administration authority, which issues a statement according to Art. 52 Paragraph 1; a similar course of action takes place in the case of a foreign physical entity, if this entity does not have a residence permit in the Czech Republic, according to the terms of Art. 5 Paragraph 5
55.	Art. 58 Paragraph 3	Possibility of cancelling a trade licence or suspending an operation of a trade to the appropriate extent, if an entrepreneur has seriously breached or continues to breach the conditions contained in the decision on granting a licence, in this Act and in special legal regulations; the possibility of cancelling a trade licence based on a requirement by the relevant social security administrative body or in the event that an entrepreneur has not operated the trade for more than 4 years; this does not apply in the event that an entrepreneur has given notice of suspension of his/her business operation according to Art. 31 Paragraph 11
56.	Art. 58 Paragraph 4	Possibility to cancel a trade licence or demand suspension of trade operations in the appropriate measure if an entrepreneur fails to correct defects within one year from the expiration of the determined time limit, or, if no time limit has been determined, within one year after the issuance of the decision
57.	Art. 58 Paragraph 5	Notification about cancellation of a trade certificate on the public notice board of a relevant Municipal Office
58.	Art. 59	Enforcing the prohibition of illegal activities during the conducting of the trade “Operation of a travel agency” or “Operation of a travel office”. Violation of this prohibition is a reason for cancellation or suspension of a trade licence.
59.	Art. 60 Paragraph 1	Maintaining the Trades Register
60.	Art. 60 Paragraph 2	Recording relevant data, including their amendments, to the Trades Register.
61.	Art. 60 Paragraph 3	A Trades Licensing Office communicates a list of penalties imposed and personal identification numbers solely to an entrepreneur, and only in cases defined by special legal regulations.
62.	Art. 60 Paragraph 4	Issuance of certificate according to Art. 47 Paragraphs 2 and 3; full certificates, partial certificates or validation of a specific entry in the Trades Register or validation that a relevant record is not in the Trades Register either as a document or in electronic form.
63.	Art. 60 Paragraph 5	Provision of data from the Trades Register to the administrative bodies described in Art. 48, in electronic form, in a manner permitting remote access or to an address of the central register; in the case of transmission of data in accordance with Art. 45a Paragraph 4, the process is conducted in the same manner.
64.	Art. 60a	Carrying out trades inspections, possibility of requiring from an entrepreneur documentation about the meeting of

		obligations resulting from special regulations
65.	Art. 60b	Possibility to also create audio and video recordings during inspection activities
66.	Art. 60d Paragraph 1	Possibility to impose the duty to correct faults detected in trade operations through a decision
67.	Art. 61 Paragraph 4	Possibility to impose a fine against a physical entity for a misdemeanour as defined by Art. 61 Paragraphs 1, 2 and 3 in a misdemeanour proceeding
68.	Art. 61 Paragraph 5	Possibility to impose a fine against a physical entity for a misdemeanour as defined by Art. 61 Paragraph 1 in a block proceeding
69.	Art. 62 Paragraph 2	Imposing a fine on a corporate or physical entity carrying out business, for an administrative offence as defined in Art. 62 Paragraph 1, through an administrative procedure
70.	Art. 62 Paragraph 3	Imposing a fine on a corporate or physical entity conducting business, for an administrative offence as defined in Art. 62 Paragraph 1, through a block procedure
71.	Art. 63 Paragraph 2	Imposing a fine on a corporate or physical entity conducting business, for an administrative offence as defined in Art. 63 Paragraph 1 (conducting business without a Trades Certificate), through a administrative procedure
72.	Art. 64 Paragraph 6	Collection and requisition of fines
73.	Art. 68 Paragraph 2	Informing individual specialised administrative bodies about breaches of relevant special regulations by persons carrying out activities which are the subject of a trade
74.	Art. 69a Paragraph 6	Checking of meeting the obligation to notify the certification body in written form about the provision of services; also checking the meeting of the obligation of an individual who provides services to guarantee that the performance of activities which are the subject of a trade as defined in Appendix No. 5 of the Act, is carried out only by physical entities who meet the required professional qualifications

Act No. 634/1992 Coll., on consumer protection, as amended

1.	Art. 23 Paragraph 5	Supervision of compliance with the law
2.	Art. 23a Paragraph 1	Issuance of binding instructions for correction of detected faults in the event of direct risk to the life, health or assets of individuals; authorisation to interrupt the sale of goods or the provision of services or to close down business premises
3.	Art. 23a Paragraph 3	Issuing written consent to the continuance of the sale of products or provision of services or the reopening of business premises
4.	Art. 24 Paragraph 9	Imposition of fines in administrative procedures for a breach of law (administrative offences)
5.	Art. 24 Paragraph 10	Imposition of fines by an order issued in situ for a breach

		of law (administrative offences)
6.	Art. 24a Paragraph 2	Imposition of fines for a breach of law (misdemeanour)
7.	Art. 24b Paragraph 5	Competency for proceedings concerning administrative offences
8.	Art. 24b Paragraph 6	Collection of fines

Act No. 353/2003 Coll., on consumer tax, as amended

1.	Art. 115 Paragraph 1	Inspection of markings on tobacco products in storage or on sale
2.	Art. 115 Paragraph 3	Issuance of a decision on a preliminary measure, by which the Trades Licensing Office orders that unmarked tobacco products are seized
3.	Art. 134 Paragraph 1	Inspection of adherence to the prohibition against offering or selling alcohol and/or tobacco products in accordance with Art. 133
4.	Art. 134 Paragraph 2	If an inspection carried out in accordance with Paragraph 2 discovers alcohol and/or tobacco products, the Trades Licensing Office issues a decision for a preliminary measure and orders seizure of these products
5.	Art. 135 Paragraph 2	Imposing a fine for a misdemeanour in accordance with Paragraph 1
6.	Art. 135a Paragraph 2a	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1a
7.	Art. 135a Paragraph 2b	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1b – 1g
8.	Art. 135a Paragraph 2c	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1h
9.	Art. 135a Paragraph 2d	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1i – 1k
10	Art. 135b Paragraph 3a	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1a
11	Art. 135b Paragraph 3b	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1b – 1f
12	Art. 135b Paragraph 3c	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1g
13	Art. 135b Paragraph 3d	Imposing a fine on a corporate or a physical entity for administrative offence in accordance with Paragraph 1i and Paragraph 2
14	Art. 135b Paragraph 3e	Imposing a fine on a corporate or a physical entity for an administrative offence in accordance with Paragraph 1h
15.	Art.135c Paragraph 2	Imposing a fine on a corporate or a physical entity for a breach of the prohibition against the sale of alcohol and/or tobacco products in accordance with Art 133
16.	Art. 135d Paragraph 1	Imposing the forfeiture of unmarked tobacco products

		seized during inspection in accordance with Art. 115 or of tobacco products and/or alcohol seized during inspection in accordance with Art. 134, in the event that: a) the products belong to the perpetrator of the administrative offence and b) that they have been used for or are intended for the committing of an administrative offence
17.	Art. 135d Paragraph 2	Imposition of seizure, in the event that forfeiture of the goods defined in Paragraph 1 has not been imposed, in the event that: a) the goods belong to a perpetrator who cannot be prosecuted for an administrative offence, b) the goods do not belong to the perpetrator of the administrative offence or do not belong solely to him/her, or c) that their owner is unknown and that an injury to the economic interests of the state, protected by this law, would be caused by their sale
18.	Art. 135d Paragraph 3	Imposition of the obligation to compensate the state for the costs incurred in connection with the administration and liquidation of forfeited or seized alcoholic and/or tobacco products from an entity who has committed an administrative offence, subject to forfeiture, or from an entity who has been in possession of the seized tobacco and/or alcoholic products
19.	Art. 135d Paragraph 6	If seized tobacco and/or alcohol products are not declared as forfeited or seized, the relevant items must be returned to their owner or to the entity who was in possession of these products at the time of their seizure, without delay
20.	Art. 135i Paragraph 4a	Proceedings of administrative offences in accordance with Art. 135, Art. 135a Paragraph 1a, Art. 135b Paragraphs 1a - e, g - i, Art. 135b Paragraph 2 and Art. 135c

Act. No. 247/2006 Coll., on limitation on the services of pawnshops and some other workplaces during night hours

1.	Art. 2 Paragraph 2	Imposing of fines for breach of the obligations defined in Art. 1
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Act No. 552/1991 Coll., on state supervision, as amended

1.	Art. 11, Art. 12	Rights and obligations of inspection employees
2.	Art. 16	Obligation of inspection employees to inform controlled individuals of the content of the protocol and to present them with a copy of the protocol
3.	Art. 18	Decision about proceedings concerning the objections of controlled individuals
4.	Art. 19	Imposition of a disciplinary penalty
5.	Art. 22	Transmission of findings concerning deficiencies to the relevant administrative bodies
6.	Art. 24	Meeting the obligation of notifying authorities in respect

		of a penal proceeding
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Act No. 500/2004 Coll., Administrative Procedure Code, as amended

1.	Art. 67	Issuance of the decision of an administrative proceeding (administrative body of the 1 st level)
2.	Art. 62	Decision concerning imposition of a disciplinary penalty
3.	Art. 150	Issuance of an order (including an order in situ)
4.	Art. 100	Decisions concerning a renewal of proceedings
5.	Art. 101	Conducting renewed proceedings and issuance of a decision concerning the case

List of activities carried out on the first level by regional Trades Licensing Offices

Act No. 455/1991 Coll., on commercial activities (Small Business Act), as amended

1.	Art. 60 Paragraph 1	Operating the Trades Register
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Act No. 40/1995 Coll., on advertising regulation, as amended

1.	Art. 7 Paragraph 1g	Supervision of compliance with the law
2.	Art. 7a Paragraph 2	Requirement by a supervisory authority of the submitter of an advertisement, to communicate information concerning the propagator and the compiler of an advertisement submitted by him/her, for the purpose of an administrative proceeding
3.	Art. 7a Paragraph 3	Requirement by a supervisory authority of the compiler of an advertisement, to communicate information concerning the submitter and the propagator of an advertisement, for the purpose of an administrative proceeding
4.	Art. 7a Paragraph 4	Requirement by a supervisory authority of the propagator of an advertisement, to communicate information concerning the individual who has requested the propagation of an advertisement, for the purpose of an administrative proceeding
5.	Art. 7b Paragraph 1	Procedure of the supervisory authority in accordance with a special legal regulation for the assessment of whether a specific advertisement constitutes an unfair trade practice
6.	Art. 7b Paragraph 2	Authorisation to require proof of the accuracy of factual claims made in an advertisement, providing that this requirement is reasonable, in terms of the circumstances of the relevant case, or the justifiable interests of the entity who commissioned the advertisement or the justifiable interests of another individual, during the assessment of whether this constitutes a disallowed comparative advertisement, which is an unfair trade practice
7.	Art. 7c Paragraph 1	Possibility of ordering the removal or withdrawal of an advertisement that is in conflict with the law and of determining reasonable time limits for carrying out of this order, the possibility to prohibit a disallowed comparative advertisement or an advertisement which constitutes an unfair trade practice
8.	Art. 7c Paragraph 2	Publication of a decision issued in accordance with Paragraph 1 or in accordance with Art. 8a, in the event that due to continuing propagation of an advertisement the life or health of individuals may be endangered; the authorisation to order the submitter or the compiler of the advertisement to publish a corrective announcement concerning the advertisement

9.	Art. 7d Paragraph 1	Possibility of imposition of a disciplinary penalty
10.	Art. 8 Paragraph 4	Possibility of imposition of a penalty against physical entities for a misdemeanour in a misdemeanour proceeding; for a misdemeanour in accordance with Paragraphs 1 - 3 of Art. 8 it is also possible to impose a fine of up to 5000 CZK in a block proceeding
11.	Art. 8a Paragraph 5	Imposition of a fine for an administrative offence according to Paragraph 1 against a corporate or a physical entity
12.	Art. 8a Paragraph 6	Imposition of a fine for an administrative offence according to Paragraph 2 against a corporate or a physical entity
13.	Art. 8a Paragraph 7	Imposition of a fine for an administrative offence according to Paragraph 3 against a corporate or a physical entity
14.	Art. 8a Paragraph 8	Imposition of a fine for an administrative offence according to Paragraph 4 against a corporate or a physical entity
15.	Art. 8a Paragraph 9	Imposition of a fine in a block proceeding
16.	Art. 8b Paragraph 6	Collection of block fines

Act No. 500/2004, Administrative Procedure Code, as amended

1.	Art. 97	Decision of a review proceeding
2.	Art. 100	Decision concerning a renewal of proceedings
3.	Art. 101	Conducting a new proceeding and issuance of a new decision concerning a case

List of activities carried out on the first level by the Ministry of Industry and Trade

Act No. 455/1991 Coll., on commercial activities (Small Business Act), as amended

1.	Art. 60 Paragraph 1	Activities of the Trades Register administrator
3.	Art. 60 Paragraph 6	Provision of details from the Trades Register to authorities, except for a list of fines imposed or of personal identification numbers by the Trades Licensing Office of the Czech Republic in an electronic form and in a manner allowing remote access

Act No. 500/2004, Administrative Procedure Code, as amended

1.	Art. 97	Decision in a review proceeding
2.	Art. 100	Decision on a renewal of a proceeding
3.	Art. 101	Conducting a renewed proceeding and issuance of a decision concerning the case

Act No. 18/2004 Coll., on recognising professional and other qualification of citizens of European Union member states and amendments to certain acts (Act on Recognising Professional Qualifications), as amended

1.	Art. 19, Art. 29	Recognition of professional qualifications
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