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Employees' benefits

**Electronic signature
Social security inside the EU**

1. Employees' benefits – President's veto outvoted

The Chamber of Deputies passed a new amendment to the VAT act, repealing the obligation of paying the VAT calculated on the usual market price of employees' benefits, where an employee buys from an employer at a lower than market rate. Please note that the tax base for the calculation of VAT on transactions with other connected persons, i.e. capital or differently connected, related persons or persons running business with a payer pursuant to contract of association, remains the usual market price determined on the date of taxable supply.

This new amendment to the Act might be applied retroactively from the moment when the provisions of § 36a VAT Act came into force, that is from 1st January 2010.

2. Electronic signature issued elsewhere in the EU

A new amendment to the Electronic Signature Act now approves as a qualifying electronic signature one provided by a supplier of certification services based in another EU member state. An electronic signature is needed e.g. when submitting a refund application for VAT paid in another EU member state.

3. Coordination of social security systems inside the EU

On 1. May 2010 a new legal regulation on social security for migrant workers and their families inside the EU came into force. It brings a huge change in the transition to electronic data exchange among institutions. This process should be finished by the year 2012. Until this date EU member states will communicate through paper E-forms as they do today.

