

# News Flash

10 January 2024



**Average wage and monthly  
advances of entrepreneurs in the  
Czech Republic**

## Average wage and monthly advances of entrepreneurs in the Czech Republic

According to Government Regulation No. 286/2023 Coll. the average wage for 2024 will amount to CZK 43,967. What impacts has the average wage on premiums paid by entrepreneurs?

This amount has the influence on, for example, minimum monthly advances paid by self-employed persons, the maximum amount of advances by self-employed individuals in the flat-rate tax regime, the assessment base for social insurance, the threshold for taxation at the 23% tax rate, and other. Further significant changes brought the consolidation package.

### From 2024, the following applies:

- 1) The minimum **annual** assessment base for the payment of premiums on social security has been **increased** from the current 50% **to 55% of the tax base**.

E.g. in the event that the self-employed person received total income of CZK 500,000 for 2023 and claims 60 % lump-sum expenses, the tax base will be CZK 200,000. The minimum annual assessment base for the deduction of premiums for social security is therefore CZK 110,000 and the minimum monthly base is CZK 9,167. Since these amounts are lower than the amounts set by law, the self-employed person will pay the insurance premiums from the set minimum assessment base.

- 2) The minimum **monthly** assessment base for self-employed persons performing their main gainful activity will gradually increase **from the current 25% of the average wage to 40%** (30% in 2024, 35% in 2025 and from 2026 to 40%).

	2023	2024	2025	2026
<b>Min. assessment base</b>	25%	30%	35%	40%
<b>Assessment base</b>	50%	55%	55%	55%

- 3) For **self-employed persons who are newly starting their main gainful activity** and have not performed this activity in the past 20 years, the monthly assessment base is 25% of the average wage valid for the given calendar year, for the first 3 years from the start of the business (supporting start-up entrepreneurs).
- 4) The monthly assessment base for self-employed persons performing secondary income-gainful activity was increased from 10 % **to 11% of the average wage**.
- 5) Furthermore, there is a change in the obligation to pay advance payments for social security premiums in **a new minimum amount as of January 1** of the given calendar year. I.e. if the entrepreneur pays minimum advances, he will have to change them already when paying the advance in January 2024 and not after submitting the overview, as was the case until now.

	Amount of deposit
<b>Self-employed (MA) – min. deposits</b>	CZK 3,852
<b>Self-employed (MA) – newly starting, min. deposits</b>	CZK 3,210
<b>Self-employed (MA) – other, non-paying min. deposits</b>	according to the overview for the year 2023

For **social insurance**, the maximum assessment base is an amount equal to **48 times the average wage**. In 2024, it should therefore increase to **CZK 2,110,416** (48 x 46,967). The minimum advances for social insurance for the self-employed should then be increased to the amount of CZK 3,852 (29.2 % x 13,191) for the main activity and CZK 1,413 (29.2 % x 4,837) for the secondary activity.

For **newly starting self-employed** persons performing their main gainful activity, the minimum social security advances amount to 3,210 CZK per month. Advances for social insurance are payable by the last day of the calendar month for which the premium is paid. I.e. for January 2024, a deposit of CZK 3,852 is **due by January 31, 2024**.

In the case of **health insurance**, the minimum advance payments for health insurance for the year 2024 should amount to CZK 2,968. The advance for health insurance is payable for the given month **by the 8th of the following month**, i.e. for January 2024, the advance in the amount of CZK 2,968 is payable by February 8, 2024.

	2023	2024
<b>Average wage</b>	CZK 40,324	CZK 43,967
<b>Max. assessment base</b>	CZK 1,935,552	CZK 2,110,416
<b>Min. monthly assessment base (MA)</b>	CZK 10,081	CZK 10,992 (for self-employed beginners) CZK 13,191 (for other self-employed persons)
<b>Min. monthly assessment basis (SA)</b>	CZK 4,033	CZK 4,837
<b>Min. annual assessment base (MA)</b>	CZK 120,972	CZK 131,904 (for starting self-employed persons) CZK 158,292 (for other self-employed persons)
<b>Min. annual assessment base (SA)</b>	CZK 48,396	CZK 58,044
<b>Min. monthly advance for social insurance for the self-employed (MA)</b>	CZK 2,944	CZK 3,210 (for self-employed beginners) CZK 3,852 (for other self-employed persons)
<b>Min. monthly advance for social insurance for the self-employed (MA)</b>	CZK 2,722	CZK 2,968
<b>Min. monthly advance for social insurance for the self-employed (SA)</b>	CZK 1,178	CZK 1,413

If you have any questions, please do not hesitate to contact us. We will be happy to assist you!

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