How to become an T freelancer



How to become an IT freelancer

1. Leaving employment

If you are employed and giving notice because you want to start your own business, ask for the following documents before you leave your job (you will need them for your tax return):

- > Confirmation of taxable income (for the purposes of tax return preparation),
- Pension record sheet (ELDP) (for pension insurance purposes),
- Confirmation of employment (the so-called record of employment) (This document is only obtained if the employment relationship gave rise to participation in sickness insurance or if the employee was subject to payroll deductions.)

2. Obtaining a trade licence in the Czech Republic – unqualified notifiable trade

Single registration form (time requirement max. 0.5 hours)

- > can be filled in <u>electronically</u>
- > download PDF form
 - it is a good idea to have the form pre-filled and to bring it to any trade licensing office (it is not mandatory, the trade department staff will always help you fill it in),
- Instructions for filling in the form

Service price – fee of CZK 1,000 Payment of the fee:

- > at the registry office for in-person registration,
- > by transfer,
- > or by postal order.

ADVICE – It is always better to tick as many possible activities as possible that are similar to the future activity, as an extra administrative fee of CZK 500 is payable for each addition of an activity to the trade licence.





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3. Documents required to establish an unqualified notifiable trade

completed form

 at the relevant trade licensing office, it is done by the trade licensing department worker in a PC – she prepares it for signature, no need to bring a printed version),

> proof of identity – ID card, proof of payment of the administrative fee (any document confirming its payment).

4. Choose any trade licensing office

5. Submission of the notification

- > online in the case of electronic completion of the Single Registration Form and only if:
 - you have an electronic signature to the electronic mailroom,
- you have a data box send it to the Trade Licensing Office's data box.
- in person at the nearest trade licensing office (or Czech POINT),

> by post (preferably registered mail): filling in the PDF form + printing it out.

6. Social security and health insurance registration and personal income tax registration

- > you can make this registration while completing the Single Registration Form,
- if you come to the trade licensing office in person, you need to notify the staff member who will help you fill in this document:
 - in this case, do not forget to bring your insurance card with you,
- after registration in the Trade Register, you become obliged to register for personal income tax within 15 days:
 - if you come to the trade licensing office in person, this will also be done by a member of the office staff,
 - you can fill in the form <u>online on the website</u> <u>of the tax administration</u>

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7. Extract from the Trade Register

- > it usually takes 1 to 10 days to obtain,
- you usually leave the trade licensing office already with an assigned business identification number.

IMPORTANT!

After registration, you will sometimes receive a letter from the Trade Licensing Register asking you to pay a fee for publication in the Trade Licensing Register – do not pay this fee as publication in the Register is automatic and free of charge.

8. After registration

- > We recommend setting up a standing order for social security and health insurance payments.
- The amount of the advance payments varies depending on whether you carry out the trade as your main activity (if you are not employed at the same time) or as a secondary activity (if you are employed at the same time):
 - Social security contributions are paid under a special variable symbol assigned to you by the Czech Social Security Administration;
- Health insurance premiums are paid under a variable symbol that is identical to your birth number (without the slash);

Congratulations, you are now a FREELANCER!

Launch your career to the fullest and enjoy all the benefits that life as a freelancer brings you.



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