

A daily e-mail bulletin of Czech wit & wisdom. For your free subscription, write to [subscribe@fsfinalword.com](mailto:subscribe@fsfinalword.com)

## Social-security compromise



Companies spend small fortunes to optimize their tax liabilities, so when a tax windfall drops into their lap, their natural inclination is to hold onto it. Convincing Czech companies to voluntarily give up their social-tax refunds for the first half of 2007 (brought about by a screw-up in Parliament) will have to be based on more than just good-citizenship arguments. A workable solution might be to tie the refunds to something manufacturing companies have been clamoring for - subsidized reduced work weeks, known as "Kurzarbeit." A formula could be found that takes into account court fees, late-filing penalties, risks to insured employees, and the cost to the state if no compromise is found. Companies that waive their right to a refund could be offered a credit on payroll taxes for maintaining a certain level of employment. It's messy, but much less so than most of the options mentioned so far.

*A school where people want to be*

The Prague British School has spacious, fully refurbished sites on both sides of Prague. Every day 750 children aged 18 months to 18 years attend PBS for a quality British education.

[www.pbschool.cz](http://www.pbschool.cz) E-mail: [admissions@pbschool.cz](mailto:admissions@pbschool.cz) Tel.: + 420 226 096 200



The  
**PRAGUE  
BRITISH  
SCHOOL**