

## Brace yourself for a tax increase



Finance Min. Alena Schillerová spent more than an hour in front of the cameras on [Czech TV's OVM debate show](#) on Sun. but was allowed to walk away without explaining if and how she intends to raise corporate taxes. Under her latest plan, individuals would pay slightly lower total payroll taxes, even after paying a higher health tax. This means less money overall for the state budget. True, the state would free up Kč 70bn per year by halting its medical-insurance payments for the unemployed, pensioners and others, but this doesn't produce any extra budget revenue. If individual taxes fall, and the overall budget costs remain the same or rise, who is going to make up the difference? We might never learn the full answer, now that Andrej Babiš has swatted down Schillerová's proposal. Perhaps she also wanted to sharply increase the health-tax contributions of employers. Or does she have a secret source of tax revenue up her sleeve? It's her coyness about this that makes the situation worrisome. She's trying to raise taxes by tens of billions of crowns while persuading everyone that she is lowering them.

Read this later today in [Czech](#)



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