

Office of the Czech Fiscal Council

CZECH FISCAL COUNCIL

OPINION

of the Czech Fiscal Council

Number 3/2024

of 18th April 2024

on one-off and temporary measures according to the 4th updated edition of the Methodology for Derivation of the Expenditure Frameworks of the State Budget and State Funds

Czech Fiscal Council

I. expresses its favourable opinion

pursuant to the Section 10(2) of Act No 23/2017 Coll., on the Rules of Budgetary Responsibility, as amended, to classify the following revenue and expenditure operations as one-off and temporary measures in 2023:

- reduction in fuel excise duty in the amount of 0.076% of GDP,
- extraordinary depreciation (of assets) in connection with the economic stimulus during COVID-19 in the amount of 0.018% of GDP,
- waiver of renewables fees for customers in the amount of 0.236% of GDP,
- windfall tax in the amount of 0.532% of GDP,
- levy on excess revenue in the amount of 0.234% of GDP,
- humanitarian aid for refugees and refugee accommodation allowance in the amount of 0.187% of GDP,
- one-off child allowance in the amount of 0.004% of GDP,
- cap on energy prices in the amount of 0.659% of GDP,
- reimbursement of part of the distribution costs in the amount of 0.185% of GDP,
- subsidies to ČEPS in the amount of 0.272% of GDP.

II. expresses its favourable opinion

pursuant to the Section 10(2) of Act No 23/2017 Coll., on the Rules of Budgetary Responsibility, as amended, to classify the following new revenue and expenditure operations as one-off and temporary measures in 2024:

- extraordinary depreciation (of assets) in connection with the economic stimulus during COVID-19 in the amount of 0.017% of GDP,
- windfall tax in the amount of 0.340% of GDP,

- humanitarian aid for refugees and refugee accommodation allowance in the amount of 0.119% of GDP.

III. expresses its favourable opinion

pursuant to the Section 10(2) of Act No 23/2017 Coll., on the Rules of Budgetary Responsibility, as amended, to classify the following new revenue operations as one-off and temporary measures in 2025:

- extraordinary depreciation (of assets) in connection with the economic stimulus during COVID-19 in the amount of 0.014% of GDP,
- windfall tax in the amount of 0.125% of GDP.

Given the fact that the duration and the specific amount of expenditure or revenue reductions/increases for some of the above measures are not yet clear, as well as the prediction of the specific level of GDP for 2024 and 2025 is uncertain, the estimates of fiscal impacts are indicative and will need to be updated.

FYI

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