

Investment incentives for manufacturing industry in the Czech Republic

Type of investment	Qualification conditions			Forms of Investment incentives	Eligible costs	Maximum aid intensity for a large enterprises	Maximum aid intensity for a medium-sized enterprises	Maximum aid intensity for a small enterprises	Expansion
	Large enterprises	Medium-sized enterprises	Small enterprises						
Manufacturing industry	Investment of at least CZK 40 million / CZK 80 million in assets depending on the region (see map 1), of which at least half in new machines	Investment of at least CZK 20 million / CZK 40 million in assets depending on the region (see map 1), of which at least half in new machines	Investment of at least CZK 10 million / CZK 20 million in assets depending on the region (see map 1), of which at least half in new machines	Corporate income tax relief for a period of 10 years Cash grant for job creation and training of new employees only in district with an unemployment rate of at least 7.5 %.	Long-term tangible and intangible assets (e.g. land, building, new machines) or gross wages of employees in newly created positions for a period of 24 months	20 - 40 % of invested eligible costs, Prague 0% (see map 2)	30 - 50 % of invested eligible costs, Prague 0% (see map 2)	40 - 60 % of invested eligible costs, Prague 0% (see map 2)	Only new economic activity in: Plzeň, Central Bohemian, South Bohemian, Vysočina, South Moravian region
	Condition of higher value added in developed regions - Min. 80 % of employees have at least the average wage in the region and a) 10 % of employees with university education + collaboration with R&D institutions in the amount 1 % of eligible costs; or b) 2 % of employees in R&D; or c) 10 % of eligible costs in machinery R&D								
Manufacturing industry Strategic investment	Investment of at least CZK 2 billion in assets, of which at least half in new machinery and creation of at least 250 new jobs			Corporate income tax relief for a period of 10 years Cash grant for job creation and training of new employees only in district with an unemployment rate of at least 7.5 %. Cash grant on capital investment in the amount of up to 10/20 % (depends on the region) of eligible costs (max. CZK 1.5 billion)					
	Condition of higher value added in developed regions - Min. 80 % of employees have at least the average wage in the region and a) 10 % of employees with university education + collaboration with R&D institutions in the amount 1 % of eligible costs; or b) 2 % of employees in R&D; or c) 10 % of eligible costs in machinery R&D								
Manufacturing industry with high technological demands	Investment of at least CZK 40 million / CZK 80 million in assets depending on the region (see map 1), of which at least half in new machine	Investment of at least CZK 20 million / CZK 40 million in assets depending on the region (see map 1), of which at least half in new machines	Investment of at least CZK 10 million / CZK 20 million in assets depending on the region (see map 1), of which at least half in new machines	Corporate income tax relief for a period of 10 years Cash grant for job creation and training of new employees only in district with an unemployment rate of at least 7.5 %. Cash grant on capital investment in the amount of up to 10/20 % (depends on the region) of eligible cost (max. CZK 1.5 billion)					
	Investment sector: Pharmaceutical products and preparations, Computers, electronic and optical devices, Aircraft and their engines, Spacecraft and related equipment. Condition of higher value added - Min. 80 % of employees have at least the average wage in the region and a) 10 % of employees with university education + collaboration with R&D institutions in the amount 1 % of eligible costs; or b) 2 % of employees in R&D; or c) 10 % of eligible costs in machinery R&D Plus implementation of research and development using key enabling technology								
Production of strategic medical products	Investment of at least CZK 40 million / CZK 80 million in assets depending on the region (see map 1), of which at least half in new machines	Investment of at least CZK 20 million / CZK 40 million in assets depending on the region (see map 1), of which at least half in new machines	Investment of at least CZK 10 million / CZK 20 million in assets depending on the region (see map 1), of which at least half in new machines	Corporate income tax relief for a period of 10 years Cash grant for job creation and training of new employees only in district with an unemployment rate of at least 7.5 %. Cash grant on capital investment in the amount of up to 10/20 % (depends on the region) of eligible costs (max. CZK 1.5 billion)					

1/ Manufacturing Industry Eligibility criteria in Regions

Regional Development Strategy of the Czech Republic 2021+

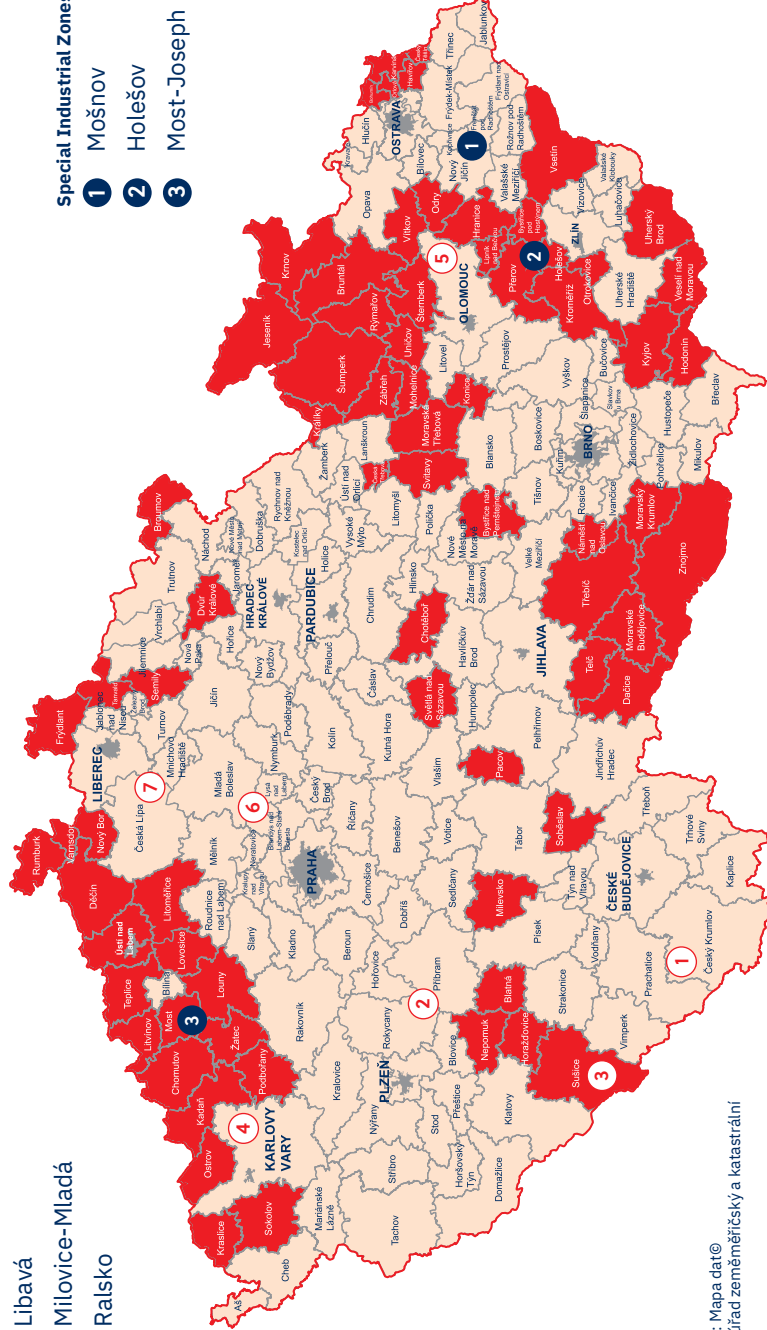
Former Military Areas

- ① Boletice
- ② Brdy
- ③ Dobrá Voda
- ④ Hradiště
- ⑤ Libavá
- ⑥ Milovice-Mladá
- ⑦ Ralsko

- Special Industrial Zones
- Economically and Socially Vulnerable Areas
Former Military Areas
- Developed regions

Minimum investment into assets million CZK			High Added Value Condition	
Large company	Medium company	Small company		
40	20	10	applies in no. 1	
40	20	10	N/A	
80	40	20	applies	

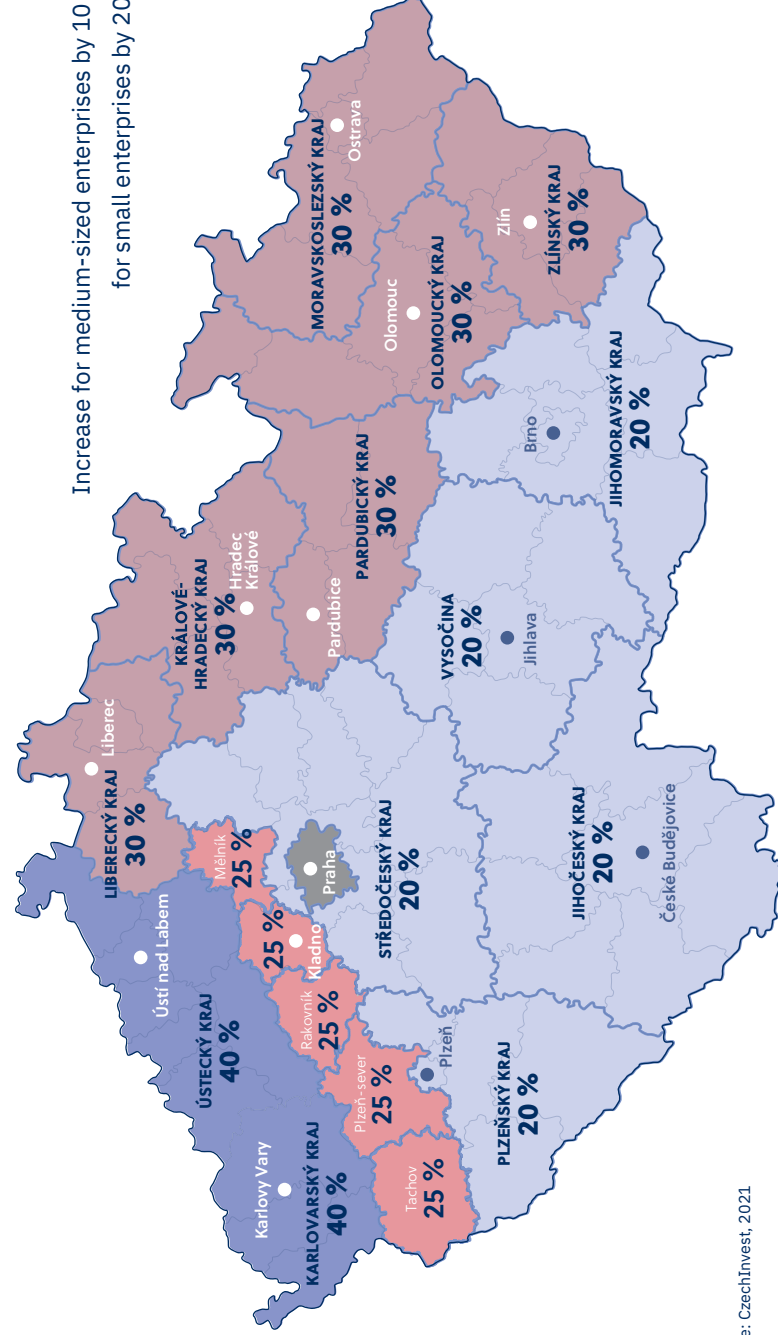
- ### Special Industrial Zones
- ① Mošnov
 - ② Holešov
 - ③ Most-Joseph



Source: Mapa dat@
český úřad zeměměřický a katastrální

2/ State aid for large enterprises

Increase for medium-sized enterprises by 10 p.p.,
for small enterprises by 20 p.p.



Source: CzechInvest, 2021