



## **This document has been provided by the International Center for Not-for-Profit Law (ICNL).**

ICNL is the leading source for information on the legal environment for civil society and public participation. Since 1992, ICNL has served as a resource to civil society leaders, government officials, and the donor community in over 90 countries.

Visit ICNL's **Online Library** at  
<http://www.icnl.org/knowledge/library/index.php>  
for further resources and research from countries all over the world.

### Disclaimers

**Content.** The information provided herein is for general informational and educational purposes only. It is not intended and should not be construed to constitute legal advice. The information contained herein may not be applicable in all situations and may not, after the date of its presentation, even reflect the most current authority. Nothing contained herein should be relied or acted upon without the benefit of legal advice based upon the particular facts and circumstances presented, and nothing herein should be construed otherwise.

**Translations.** Translations by ICNL of any materials into other languages are intended solely as a convenience. Translation accuracy is not guaranteed nor implied. If any questions arise related to the accuracy of a translation, please refer to the original language official version of the document. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes.

**Warranty and Limitation of Liability.** Although ICNL uses reasonable efforts to include accurate and up-to-date information herein, ICNL makes no warranties or representations of any kind as to its accuracy, currency or completeness. You agree that access to and use of this document and the content thereof is at your own risk. ICNL disclaims all warranties of any kind, express or implied. Neither ICNL nor any party involved in creating, producing or delivering this document shall be liable for any damages whatsoever arising out of access to, use of or inability to use this document, or any errors or omissions in the content thereof.

ACT  
of 28th September 1995  
on Statutory Companies and on the change and amendment  
of some laws

The Parliament has enacted the following law of the Czech Republic:

PART ONE  
CHAPTER ONE  
Basic Provisions  
Article 1

This Act regulates the position and legal status and relationships of the Statutory Company.

Article 2

- 1) The Statutory Company shall be a legal entity:
  - a) which has been established under this Act,
  - b) which renders generally beneficial services to the general public and all clients under identical terms and conditions and
  - c) the profit of which may not be used for the benefit of its founders, members of its bodies or employees and must serve to render the generally beneficial services for which the Statutory Company was established.

- 2) The name of the Statutory Company shall have to include the text: 'verejne prospesna spolecnost [Statutory Company]' or its abbreviation 'o.p.s.'. No other persons shall be entitled to use this identification in their name or business name.

CHAPTER II  
ESTABLISHMENT AND ORIGIN OF A STATUTORY COMPANY  
Establishment of a Statutory Company

Article 3

The founders of the Statutory Company may include individuals, the Czech Republic or legal entities.

Article 4

- 1) The Statutory Company is established by the Memorandum of Establishment signed by all founders. All signatures shall be officially attested for authenticity. If there is only one founder, the Memorandum of Establishment shall be replaced by the Deed of Establishment drawn up in the form of the notarial record.

- 2) The Deed or memorandum of Establishment (the Deed of Establishment henceforth) shall include the following specifications:

- a) the business name and identification number of the founder if being a legal entity or the name, birth number and permanent address of the founder if being an individual

- b) name and registered address of the Statutory Company
- c) the type of publicly beneficial services the Statutory Company is envisaged to render
- d) the terms and conditions applicable for the rendering of the different types of publicly beneficial services
- e) the time form which the Statutory Company is being established unless being established for the indefinite time
- f) the names, birth numbers and permanent addresses of members of the Board of Directors
- g) the arrangement of the proceedings of the Board of Directors
- h) the names, birth numbers and permanent addresses of members of the Supervisory Board, if such is established
- i) the value and definition of the assets invested by the different founding members, specification of the object and valuation under the expert opinion for investment in kind
- j) manner of publishing the annual report on the operations and business management of the Statutory Company.

3) The Deed of Establishment may specify that a specific number of members of the Board of Directors or the Supervisory Board, if applicable, are elected or appointed subject to the motion of a specific circle of citizens or a specific legal entity, local self-government body or government of body of the national government or, optionally, that specific property invested upon establishment may not be alienated or mortgaged or that a specific type of the publicly beneficial services rendered may be modified under specific terms and conditions.

4) The Deed of Establishment may also specify the Statutory Company entitled to take over the liquidation balance in case the Statutory Company established under it is wound up with liquidation and the Deed of Establishment may also specify that such Statutory Company shall be determined by the Board of Directors in the resolution on winding up the Statutory Company.

#### Origin of the Statutory Company

##### Article 5

1) The Statutory Company comes into existence of the date of entry in the Statutory Companies register (Register henceforth). The Register shall be maintained by the court so charged under a special law to maintain the Business register (the register Court henceforth).

20 The proposal for the entry of the Statutory Company in the Register is made by the founder or a person therefor empowered in writing by the founder. The Deed of Establishment shall have to be enclosed with the Register Entry proposal. The entry proposal shall have to be made by 90 days from the establishment of the Statutory Company.

3) The data recorded in the Register shall include the following specifications:

- a) the name, registered address and identification number /2/ of the Statutory Company
- b) the business name and identification number of the founder if being a legal entity or the name, birth number and permanent address of the founder if being an individual
- c) the names, birth numbers and permanent addresses of members of the Board of Directors
- d) the arrangement of the proceedings of the Board of Directors
- e) the type of publicly beneficial services the Statutory Company is envisaged to render plus the scope of complementary business if to be pursued (Article 17)
- h) the names, birth numbers and permanent addresses of members of the Supervisory Board, if such is established.

4) If the Statutory Company is envisaged to pursue operations for the pursuance of which special preconditions are required to be met, or the manner in which such are pursued is specified, the founder shall be obliged to demonstrate that such preconditions have been met.

-----

/1/ Article 27 of Act No. 513/1991 Sb., the Business Act as currently amended

/2/ Act No. 89/1995 Sb. on the Government Statistical Service

-----

5) Unless otherwise defined hereunder, the relevant Articles of the Business Act /3/ and the Civil Court Statutes Act /4/ regulating the Business Register shall apply as appropriate for the maintenance of the Register and administration procedures thereto related.

#### Article 6

1) In matters related to the establishment of Statutory Company and on its behalf until its establishment the Statutory Company founder shall act. If there are more than one founder, they shall act jointly or through the one of them who was therefor empowered in writing.

2) The obligations materialising according to above Paragraph 1 shall be assumed by the Statutory Company of the moment of its origin. The Statutory Company may reject by three months such obligations as prevent it from fulfilling the purpose for which it was founded. In that case the founder or the founders jointly and severally shall be liable for the rejected obligations.

CHAPTER III  
WINDING UP, LIQUIDATION AND DISSOLUTION OF  
THE STATUTORY COMPANY

Article 7

- 1) The Statutory Company shall be dissolved of the date it is erased from the register.
- 2) The dissolution of the Statutory Company shall be preceded by its winding up with or without liquidation. No liquidation is required if the Statutory Company is being dissolved by amalgamation, merger or split-up; for the dissolution of the wound-up Statutory Company and the cession of rights and duties Article 69 of the Business Act shall apply accordingly.
- 3) The Statutory Company may merge or amalgamate with another Statutory Company and split-up to form other Statutory Companies only.

-----  
/3/ Articles 27 to 33 of Act 513/1991 as currently amended  
/4/ Articles 200a to 200 d of Act No. 99/1963, the  
Civil Court Statutes Act as currently amended  
-----

- 1) The Statutory Company is dissolved;
  - a) by the expiration of the time for which it was established
  - b) by the accomplishment of the purpose for which it was established
  - c) by the date specified in the Board of Directors resolution on the Statutory Company dissolution
  - d) by merger, amalgamation with another Statutory Company or split-up into two or more Statutory Companies
  - e) of the date specified in the Court Ruling on the dissolution of the Statutory Company , otherwise by the date such Ruling becomes legally effective
  - f) by declaration of receivership or rejection thereof on grounds of insufficient assets.
- 2) Unless the founder is notified in writing on the resolution referred to under above Paragraph 1 Letter c) by the Board of Directors at least two (2) months before the date of which the Statutory Company is to be dissolved, the aforesaid resolution is ineffective. before the Statutory Company is dissolved under the resolution of the Board of Directors, the founder may modify or repeal the resolution. When doing so, the founder shall be obliged to provide for the operation of the Statutory Company at least at the scope corresponding to the reasons for which the resolution of the Board of Directors was modified or repealed.
- 3) If the resolution of the Board of Directors was modified or repealed by the Founder, after such was reported to the Register Court, the Court shall have to be notified also of

the Founder's decision. The previous motions of the Board of Directors of the Statutory Company for liquidation or appointments of receiver are ineffective under such circumstances.

4) Acting upon the motion of a government agency, the founder or the person demonstrating legal interest, the Court shall decide on dissolution of the Statutory Company and on its liquidations if:

a) no meeting of the Board of Directors of the Statutory Company took place in the last year;

b) no bodies of the Statutory Company were appointed and the term of office of the last bodies of the Statutory Company had expired by over a year ago;

c) the Statutory Company has failed to render the publicly beneficial services specified in its Deed of Establishment for over six (60) months;

d) by pursuing the complementary operations the quality, scope and availability of the publicly beneficial services for the rendering of which the Statutory Company was founded has been repeatedly endangered over the last six (6) months;

e) the Statutory Company uses the income from its operations and the assets it manages in conflict with this Act;

f) the Statutory Company has violated the Articles hereof.

5) The court may set a date by which the cause for which the motion for dissolution of the Statutory Company was made is to be remedied.

6) If there fails to exist the founder the legal successor thereof shall assume the Founder's rights and duties.

#### Article 9

1) For the execution of the liquidation the Board of Directors shall appoint the receiver.

2) If no receiver is appointed by the Board of Directors, the receiver shall be appointed by the Court competent by the registered address of the Statutory Company without unreasonable delay.

3) The Receiver shall start the liquidation by:

a) verifying that the founders of the Statutory Company had been advised of the liquidation in due time;

b) by calling upon the creditors and other persons concerned by the liquidation to claim their respective title rights and receivables by the time which shall not be shorter than three (3) months;

c) by advertising the commencement of liquidation of the Statutory Company in the Obchodni vestnik Bulletin;

d) by notifying the municipality in which the Statutory Company has its registered address and the competent

Revenue Office of the liquidation.

4) The procedure of the liquidation shall be designed so that only the assets necessary for meeting the liabilities of the Statutory Company are turned into cash.

5) The property held by the Statutory Company constitutes the separate estate in the liquidation and shall be used for satisfying the creditors' claims in the respective order as accounts payable materialising after the declaration of receivership. /5/ The receiver's fee shall be settled at the order as defined for the Estate Trustee according to the Bankruptcy Act /5/.

6) If the situation is other than that referred to under above Article 4 Paragraph 4) the liquidation balance shall be offered for transfer onto the municipality in which the Statutory Company in liquidation has its registered address. The property may be transferred onto the municipality free of charge only providing the municipality enters into a contract obliging it to use such property fully for rendering the publicly beneficial services for the provision of which the Statutory Company had been established.

-----

/5/ The Bankruptcy Act No. 328/1991 Sb. as currently amended

-----

7) If the municipality fails to acknowledge its intention to take over the property so offered in writing by thirty (30) days from reception of the said offer, the property shall be transferred by the Receiver onto the District Office competent by the registered address of the Statutory company. The District Office shall use the property for rendering publicly beneficial services.

8) By thirty (30) days after finishing the liquidation, the Receiver shall file the proposal for erasing the Statutory Company from the Register with the Register Court.

#### CHAPTER IV BODIES OF THE STATUTORY COMPANY Board of Directors

1) The Board of Directors is the statutory body of the Statutory company.

2) The Board of Directors shall have at least three (3) and at the most fifteen (15) members. The number of members of the Board of Directors shall be always divisible by three. At least two thirds of the members of the Board of Directors shall be citizens of the Czech Republic.

3) A member of the Board of Directors may be only an individual of civic integrity capable of legal acts providing neither the person or persons related to the

person /6/ are employed by or in other like relation with the Statutory Company.

4) For the purpose hereof, a person of civic integrity shall be any person who has not been legally effectively sentenced for a malicious criminal act.

50 The membership in the Board of Directors of the Statutory Company shall be incompatible with the membership in the Supervisory Board of the same Statutory Company. The members of these bodies shall not be entitled to receive any royalty for the performance in the capacity. The Statutory Company shall be entitled to no more than paying the members of its Board of Directors and Supervisory Board the compensation for costs incurred up to the limit set under the applicable regulations /7/.

-----  
/6/ Article 116 of Act No. 40/1964 Sb., the Civil Act as currently amended

/7/ E.g. Act No. 119/1992 Sb. on travel cost compensation as amended under Act No. 44/1994 Sb.  
-----

#### Article 11

1) The term of office of the members of the Board of Directors shall be three (3) years.

2) No member of the Board of Directors shall serve in the office for over two subsequent terms of office. After having served as a member of the Board of Directors, one and the same person may become a member again after no less than one (1) year.

3) The members of the Board of Directors shall elect from amongst their number the Chairman of the Board of Directors who shall call and chair the meetings of the Board of Directors.

4) In decision-making, the voting rights of all members of the Board of Directors shall be equal. With a drawn vote, the vote of the Chairman of the Board of Directors shall prevail. Unless the Deed of Establishment or the Statutes otherwise stipulate, the Board of Directors shall have reached its quorum if over one half of its members are present and the majority of all present votes shall be necessary for a decision to be passed.

#### Article 12

1) The Board of Directors shall be appointed by the founder unless it has been otherwise stipulated by the founder in the Deed of Establishment.

2) After the first appointment of the members of the Board of Directors, a lots shall be cast to determine the names of



one third of the members whose term of office shall be ended after one year and one third of the members whose term of office shall end by two years.

3) The membership in the Board of Directors shall expire

- a) by expiration of the term of office
- b) by death
- c) by resignation
- d) by dismissal.

4) The founder shall dismiss a member of the Board of Directors due to the cessation of the preconditions required hereunder for the performance in the office of a member of the Board of Directors.

5) If there exists no founder and if the founder's rights have not been transferred to another person, the member of the Board of Directors shall be dismissed by the District Office competent by the registered address of the Statutory Company.

6) To fill the vacancies in the Board of Directors new members of the Board of Directors shall be co-opted at the next session of the Board of Directors at the latest.

#### Article 13

(1) The competences of the Board of Directors shall include:

- a) to issues by six (6) months from the date of origin of the Statutory Company the Statutes of the Statutory Company whereby the internal organisation of the Statutory Company shall be specified in detail. The data in the Statutes shall have to be identical with those in the Deed of Establishment;
- b) the approval of any changes modifications or amendments of the Deed of Establishment in pursuance of Article 4 Paragraphs 3 and 4;
- c) to decide on the dissolution of the Statutory Company and to appoint the Statutory Company to which the liquidation balance shall be offered;
- d) take any steps necessary so that the purpose for which the Statutory Company was established is observed;
- e) to approve the budget of the Statutory Company including any changes to it and to approve specifically the administration costs of the Statutory Company ;
- f) to approve the end-of-the-year statement of account and the annual report of the Statutory Company ;
- g) to decide on the object and scope of the complementary operations of the publicly beneficial activities beyond the scope set in the Deed of Establishment (Article 4 Paragraph 2 Letter c));
- h) to grant consent for the alienation or mortgaging of real property of the Statutory Company or authorisation of leasing such property for over one year unless a shorter time is stipulated under the Statutory Company Statutes;
- i) to appoint and dismiss the manager of the Statutory

Company and to supervise his/her activities and to set his/her remuneration if the office of manager is established under the Deed of Establishment of the Statutory Company ;  
j) to decide on any matters vested with the Board of Directors under the Deed of Establishment.

2) The Board of Directors shall meet at least twice a year.

#### Article 14 Manager

1) Only a person of civic integrity may be appointed the manager.

2) While the Manager may not be a member of either the Board of Directors or the Supervisory Board, he shall be entitled to attend the meetings of the Board of Directors holding the advisory vote.

3) The Manager shall manage the operations of the Statutory Company unless the management of such operations is vested with the Board of Directors or another body of the Statutory Company under law, the Deed of Establishment or the Statutes.

#### Supervisory Board Article 15

1) The Supervisory Board shall be the supervisory body of the Statutory Company..

2) The Supervisory Board shall be obligatorily established by the Statutory Company into the assets of which government or municipal property was invested and the Statutory Company obliged under law to maintain its bookkeeping records under the double-entry accounting system. The establishment of the Supervisory Board may be prescribed under the Deed of Establishment.

3) The Supervisory Board shall have at least three and at the most seven members. The members of the Supervisory Board shall elect the Supervisory Board Chairman from amongst their number.

4) The first Supervisory Board shall be appointed by the founder.

5) Unless otherwise stipulated under the law the manner of establishment of and membership in the Supervisory Board shall be regulated under the applicable Articles for the Board of Directors as appropriate.

#### Article 16

1) The Supervisory Board  
a) reviews the end-of-the-year statement of account and the Annual report of the Statutory Company ;

b) at least once every year, report to the Board of Directors on the findings obtained by its inspection activities;

c) supervises that the publicly beneficial operations are pursued in keeping with the law and the Deed of Establishment of the Statutory Company.

2) The Supervisory Board shall be entitled to:

a) make motions to the Board of Directors for the dismissal of the manager

b) inspect the books and other documents and to inspect the data therein recorded;

c) to call a special meeting of the Board of Directors if required in the interest of the Statutory Company.

3) The Supervisory Board shall be obliged to notify the Board of Directors of any violation of laws, articles of the Deed of Establishment or the Statutes, any instances of bad business management and/or any other defects or deficiencies in the operations of the Statutory company.

#### CHAPTER V

#### BUSINESS MANAGEMENT OF THE STATUTORY COMPANY

##### Article 17

1) Besides the publicly beneficial services for the rendering of which the Statutory Company was established the Statutory Company shall be entitled to pursue also other operations (complementary operations) providing such complementary shall serve to improve the utilisation of assets while, at the same time, the quality scope and availability of the publicly beneficial services shall be in no way compromised.

2) The Statutory Company may not take part in the business of other persons or and/to to establish its branches outside the territory of the Czech Republic.

3) The profit after taxes as reported of the fiscal year end shall be transferred by the Statutory Company to the reserve fund in full. The reserve fund shall be first used to cover any losses reported in the future fiscal years.

4) The equity of the Statutory Company shall be the source for financing the operations of the Statutory company. The equity shall comprise:

a) the value of investments of the founders

b) the value of gifts and inheritance received

c) funds of the Statutory Company

d) subsidies.

##### Article 18

1) In making the necessary arrangements to pursue its operations, the Statutory Company may claim also subsidies form the government budget, municipal budget or budgets of other bodies of territorial government /8/ or the government

fund.

2) The subsidies from the government budget, the municipal budget, the district office budget or the budget of another body of territorial government may be granted to the Statutory Company for one and the same project or one and the same activity from one source only.

-----

/8/ Act of the Czech National Council No. 576/1990 Sb. on budget management of the Czech Republic and municipalities within the Czech Republic (the Budget Rules of the Republic) as currently amended.

-----

3) The Statutory Company shall apply for being granted the government budget subsidy with the competent body of government by the prevailing activity the Statutory Company pursues.

4) The body through which the subsidy is being granted shall decree the terms and conditions for granting the subsidy and it shall inspect and evaluate the utilisation of the subsidy made.

#### Accounting and Annual Report

##### Article 19

1) The double-entry accounting system shall have to be used by the Statutory Company

- a) which pursues complementary operations;
- b) the total receipts of which in the last year were in excess of CZK three million (3M).

2) The Statutory Company shall be obliged to separate in its accounting carefully its costs and revenue related to the complementary activities and the costs and revenues related to the publicly beneficial services and any costs or revenues not rated under the aforesaid groups and related to the management of the Statutory company.

3) The annual statement shall have to be audited by a recognised auditor for the Statutory Company which

- a) are the beneficiaries of subsidies or other income from the government budget, municipal budget or budgets of other bodies of territorial government or the government fund of the total amount exceeding in the year for which the statement is made CZK one million (1M);
- b) have not established the Supervisory Board, or
- c) have their net turnover over CZK ten million (10M).

4) All other aspects shall be the Statutory Companies regulated under the laws and regulations for accounting /9/.

##### Article 20

1) By the date set by the Board of Directors which shall not

be later than six (6) months after the end of the reviewed period, the Statutory Company shall compile and publish its Annual Report reporting on its operations and business management. The reviewed period shall be the calendar year. In the Statutes, the reviewed period may be modified to be the academic year for the Statutory Company whose publicly beneficial operations are those in education and training.

-----  
/9/ E.g. Act No. 563/1991 Sb. on accounting as currently amended  
-----

2) The Statutory Company shall be obliged to publish its first annual report by 18 months from its origin at the latest.

3) The Annual Reports shall have to be publicly available.

#### Article 21

The Annual Report of the Statutory Company shall include:

- a) the review of operations pursued in the calendar year with specification of the relation with the purpose of establishment of the Statutory Company ;
- b) the end-of-the-year statement of account and review of the basic data therein included;
- c) the auditor assessment of the statement of account if applicable
- d) the review of money received and spent;
- e) the review of income (revenue) structured by source;
- f) the movements in and the final balances of funds of the Statutory Company ;
- g) the movements and balances of assets and liabilities of the Statutory Company ;
- h) the total amount of costs structured by those spent for rendering the publicly beneficial services, for pursuing complementary operations and administration costs of the Statutory Company ;
- i) any changes modifications and amendments of the Deed of Establishment and changes in the membership of the management bodies of the Statutory Company as adopted throughout the year;
- j) other data specified by the Board of Directors.

#### Article 22

If the Statutory Company default in its duties under Articles 2, 17 and 20 hereof, it shall be stripped

- a) of the tax benefits set forth hereunder, the income tax act, the inheritance and gifts tax acts and the property transfer act for the year in which such violation occurred /10/,
- b) of the tax benefits set forth under the property tax act /11/ for the next tax period following that in which the violation occurred.

-----  
/10/ Act of the Czech National Council No. 586/1992 Sb. on the Income Tax as currently amended.

Act of the Czech National Council No. 357/1992 Sb. on the inheritance, gift, and property transfer taxes as currently amended.

/11/ Act of the Czech National Council No. 338/1992 Sb. on the property tax as currently amended.  
-----

#### PART TWO

Act of the Act of the Czech National Council No. 586/1992 on Income Tax, as amended under Act of the Czech National Council No. 35/1993 Sb., Act No. 96/1993 Sb., Act No. 157/1993 Sb., Act no. 196/1993 Sb., Act No. 323/1993 Sb., Act no. 42/1994 Sb., act No. 85/1994 Sb., act No. 114/1994 Sb., Act No. 259/1994 Sb., Act No. 32/1995 Sb., Act No. 87/1995 Sb., Act No. 118/1995 Sb. and Act No. 149/1995 Sb. is herewith amended and complemented to read:

1. In Article 18 Paragraph 7 the text 'Statutory Companies ' are added to follow the word "Donation".

2. Article 34 is complemented by Paragraph 12 reading:  
"12/ Paragraphs 1 and 2 shall not apply for Statutory Companies ."

3. In the Act Schedule under Item 1-27 the text 'instruments for field lengths measurement' is replaced by text 'length measuring tools' and the text 'instruments for field lengths measurement' is replaced by text 'length measuring tools' also under Item 2-53.

#### PART THREE

Act No. 149/1995 Sb. whereby the Act of the Czech National Council No. 586/1992 Sb. on the Income Tax as amended under the later legislation is amended and amending Act of the Czech National Council No. 589/1992 Sb. on social security and government employment policies contribution payments as currently amended and Act of the Czech National Council No. 185/1991 Sb. on the insurance sector as currently amended is herewith amended and complemented as follows;

1. In part V Item 1 the text 'in items 1 and 2' is replaced by text 'in Items 1,2 and 3'.

2. In Part V Item 1 the clause 'An analogous procedure may be pursued for a whole set of such receivables' is inserted to follow the second clause.

#### PART FOUR

Act of the Czech National Council No. 338/1992 Sb. on the Real Property tax as amended under Act No. 315/1993 Sb. and

Act No. 242/1994 Sb. is herewith amended to read:

1. In Article 4 Paragraph 1 Letter f) the comma following the text 'civic associations' is deleted and the text 'and Statutory Companies ' is added.

2. In Article 9 Paragraph 1 Letter f) the comma following the text 'civic associations' is deleted and the text 'and Statutory Companies ' is added.

#### PART FIVE

Act of the Czech National Council No. 357/1992 on the inheritance, gift and property transfer tax as amended under Act of the Czech National Council No. 18/1993 Sb., 42/1994, 72/1994, 85/1994 and 113/1994 is herewith amended to read:

1. In Article 20 Paragraph 4 at the end of Letter b) the period is replaced by the comma and Letter c) is added reading:

'(c) designated by the sos for their operations.'

2. In Article 21 Paragraph 1 at the end of Letter c) the period is replaced by the comma and Letter d) is added reading:

'(d) after the end of every six months of the current calendar year, if the transaction is charge-free property acquisition by legal entities under Article 20 Paragraph 4 hereof. the tax return shall include all property so acquired throughout the period.'

#### PART SIX

This Act comes into force of 1st January 1996.