

COMPARISON OF ENTREPRENEURIAL SUPPORT IN SELECTED CENTRAL EUROPEAN COUNTRIES DURING THE 2024 FLOODS

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Abstract: Our research focused on the forms of state support designated for entrepreneurs affected by the September 2024 floods. Our aim was to compare the approaches of selected Central European states, specifically focusing on Austria, the Czech Republic, and Poland. The results of the research show that there is agreement among the examined countries in some areas of support, in particular in the extension of deadlines for filing tax returns, the payment of taxes or advances, and also in the provision of support for the payment of wage costs. At the same time, the analysis pointed to substantial differences in the approaches of the individual countries, which manifested themselves especially in the setting of limits for the tax deductibility of donations and in the different regime for the application of value added tax to donations provided to flood victims. In this area, Poland's approach was absolutely groundbreaking, as it introduced a zero VAT rate on donations provided to persons in areas affected by a natural disaster. A clearly different approach was also taken to the scope of deductibility of depreciation for newly acquired tangible assets. Particularly instructive are the measures adopted in Austria, which made it possible to increase tax-deductible depreciation for newly acquired assets, thereby accelerating the renewal and modernization of assets necessary for the conduct of business activities.

Keywords: state aid, floods, tax reliefs, entrepreneurs, tax exemption

JEL Classification: H12, H25, H53, Q54

INTRODUCTION

In the period from 13 September to 16 September 2024, Central Europe was hit by the Boris low-pressure pressure system, which brought record precipitation totals and caused widespread flooding. The Czech Republic, Poland and Austria were the most affected, with whom we are also working as part of the comparison. The floods caused widespread material damage and severely disrupted infrastructure, with total economic losses estimated at billions of euros (European Centre for Medium-Range Weather Forecasts, 2024). At the same time, the events had a significant impact on the living conditions of the population and the business environment, causing extensive damage to property and significantly affecting economic activity in the affected regions. In response to this crisis situation, individual states have implemented a set of support measures aimed at mitigating the negative consequences of floods.

In the Czech Republic, the most affected areas were the Olomouc and Moravian-Silesian regions. In Poland, the floods mainly affected the southwestern part of the country, specifically the Lower Silesia, Opole and Silesian Voivodeships. In Austria, the regions of the state of Lower Austria were the most affected, with the areas along the Kamp and Krems rivers, which subsequently flow into the Danube, posing the greatest risk. The most affected areas of individual countries are shown in Figure 1.

Fig. 1 Definition of the most affected areas during the floods in September 2024



Source: own processing using Google Maps

The aim of our article is therefore to compare the approach of our selected Central European countries. A partial objective is to formulate recommendations for the Czech Republic leading to the mitigation of the impact on entrepreneurs affected by floods (or other natural disasters). The main focus of this paper is on the analysis of measures focused on financial support, tax relief and other forms of assistance aimed at restoring property and revitalizing business activities in the regions affected by floods.

1. THEORETICAL BASIS

The issue of floods and their economic and social impacts on the population and businesses have been addressed by a number of authors (e.g. Fialho & Coelho, 2010; Ide et al., 2021; Ha et al., 2022; Khayyam & Munir, 2022; Asrofi et al., 2024; Thomas & Rony, 2025). These studies focus not only on immediate material and economic losses, but also on long-term consequences such as disruption of business activities, slowdown in economic growth, and social consequences for affected communities. An important part of this research is the evaluation of the effectiveness of crisis management and support measures aimed at restoring and stabilizing the affected areas.

According to Fialho & Coelho (2010), intense torrential rains in southern and southeastern Brazil had serious consequences for the affected cities and families, including loss of property and threats to their health. The federal government responded to the situation by releasing funds, but an analysis of data from SNDC, ONG's transprecia, and contemporary newspapers showed a discrepancy between the cities that received support and the actual situation of the municipalities. According to the authors, this discrepancy is the result of a lack of well-prepared projects by local governments, which makes it difficult to use the resources released efficiently and slows down the recovery after a natural disaster.

Ide et al. (2021) point out that the incidence of natural disasters, especially floods, is increasing due to climate change and population growth. Floods often become a trigger for political unrest. An analysis of data from 2015-2018 showed that in 24% of major floods, protests or riots occurred within two months. They are

more likely to occur in countries with large populations and democratic regimes, especially when certain ethnic groups are excluded from political power or when floods cause extremely severe damage.

Research by Ha et al. (2022) looked at the timing aspects of household reconstruction after floods in central Vietnam, specifically in Quang Dien and Phong Dien districts. The analysis was based on interviews with households and combined quantitative and qualitative approaches. The results of the research showed that effective interventions by communities, local authorities and NGOs played a key role in faster rehabilitation. At the same time, the research highlighted the risks of household dependence on government support and recommended an increased focus on policies aimed at reducing poverty, expanding livelihoods and strengthening community cohesion.

Fekete & Sandholz (2021) document that the extreme rainfall in Germany in July 2021 led to exceptional losses and initiated a debate about failures in early-warning chains and institutional response. Drawing on case studies in the Rhein-Erft district and the city of Cologne, they identify deficits in the issuance and reception of warnings, in data exchange, and in the resilience of critical infrastructure, exacerbated by the concurrent pandemic. The authors also articulate a “vulnerability paradox” and, rather than assigning blame, recommend strengthening governance, inter-institutional coordination, and data sharing.

According to Khayyam & Munir (2022), recurrent floods in Pakistan have severe impacts on agriculture, employment in the agrarian sector, and the economic situation of households, negatively affecting the poverty of vulnerable communities. The research focused on the period from 2010 to 2018 and took place in ten districts of the Hazara and Malakand divisions. The results show that the Malakand division in particular is more prone to the loss of livelihoods and the deterioration of the economic situation. The floods damaged crops, reduced household incomes and savings, and led to their debt. This has increased the vulnerability of households, exposing them to higher risks in natural disasters. The study highlights the need for government intervention through financial support, the supply of seeds, livestock and technical assistance to protect mountain communities in times of natural disasters.

Solomun et al. (2022) state that floods are among the most widespread natural hazards in the Mediterranean. The study compared the approaches of four Southern European countries — Portugal, Slovenia, Bosnia and Herzegovina, and Serbia—and found substantial differences in national flood risk management policies. Research conducted by Asrofi et al. (2024) on the Sayung coast in Indonesia focused on assessing the social and economic impacts of tidal flooding on the local population. The analysis showed that these floods have significant direct impacts on physical health, employment and wealth, while indirect impacts translate into the value of property, mental health and mobility of the population. The approach, combining quantitative and qualitative methods, revealed complex relationships between individual factors. The study brings a new perspective to the issue, as unlike previous works, it does not only examine the general effects of tidal floods, but focuses specifically on poor households and shows how they are affected by both direct and indirect impacts of these natural disasters.

Thomas & Rony (2025) investigated the consequences of floods in the Indian state of Kerala in 2018. Their analysis showed that the impacts of the disaster varied according to social groups and that volunteers and NGOs played a key role in managing the crisis. At the same time, major weaknesses were revealed, including, in particular, the indifference of local administration, violations of building standards, the lack of professionals in the construction industry, poor preparedness for early warnings and the absence of insurance mechanisms for farmers. In addition, the reconstruction process was burdened with bureaucratic delays and often perceived by the population as unfair. The authors therefore stress the need to move from short-term measures to a long-term sustainable restoration model, based on respect for natural conditions, compliance with technical standards and strengthening transparency and good governance.

As the Ministry of Industry and Trade of the Czech Republic emphasizes (2024), the restoration of full operability is an extremely demanding process for business entities affected by the flood. In addition to the removal of extensive material damage and the obligation to continue to pay wages to employees who

cannot perform work on the company's premises, these entities are also facing a significant drop in sales. The Ministry of Industry and Trade of the Czech Republic, in cooperation with the National Development Bank, prepared a programme of preferential loans, through which companies were enabled to recover from the consequences of this natural disaster. Funds from the programme could be used for investment expenditures, in particular for the renewal of production facilities, repairs and construction of infrastructure, as well as for investments in new technologies and the modernisation of production processes.

2. METHODOLOGY

The main focus of this paper is a comparative analysis of measures oriented toward direct financial support, tax relief, and other forms of institutional assistance aimed at restoring property and revitalizing business activities in regions affected by the September 2024 floods. Austria, the Czech Republic, and Poland were selected for comparison.

According to Drábová and Zubíková (2011), this method enables the identification of shared and divergent characteristics of certain phenomena and processes through mutual comparison. Sedláková (2014) further emphasizes that a key element of this approach is the delineation of the research object and objectives, together with predefined criteria used to compare the research objects.

Within the study, legislative and programmatic measures adopted in response to the floods were analysed. Primary data were systematically collected from the official websites of the relevant ministries in the countries under review. The analysis examined individual measures — laws, decrees, ministerial decisions, and program documents — adopted in reaction to the floods. The study includes only those measures adopted between 13 September 2024 and 13 February 2025.

The research focused primarily on income tax, value-added tax, assistance to employers with the payment of wage costs, the possibility of providing interest-free loans to entrepreneurs, and other forms of support intended for business entities. A structured search of documents was conducted on the official ministerial portals of the countries examined. Subsequently, only measures that explicitly refer to the September 2024 floods and target business entities were retained for analysis, while measures aimed at households were excluded.

3. RESULTS

In the following subchapters, the approaches of the individual investigated countries will be analyzed in detail. The analysis focuses on various forms of support measures implemented to mitigate the economic and social impacts of floods.

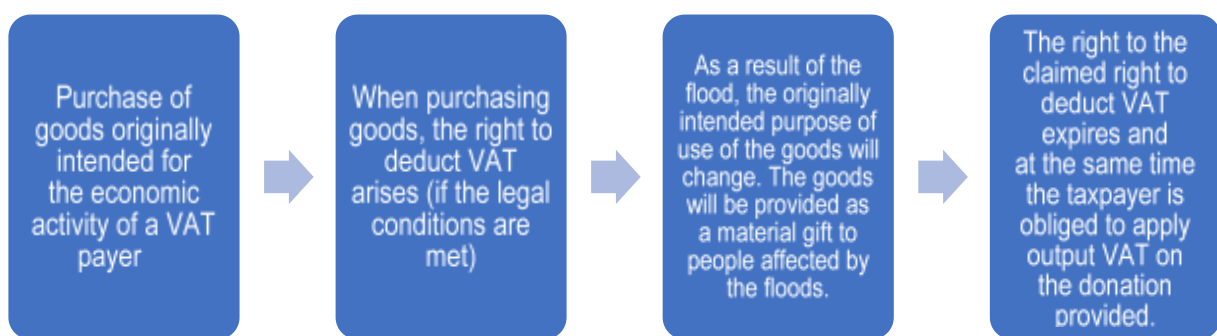
3.1 Support for entrepreneurs in the Czech Republic

The support intended for business entities in the Czech Republic included mainly tax measures. These included in particular the possibility of deferring tax liabilities, waiving collected administrative fees, providing tax reliefs in relation to obligations arising from the Value Added Tax Act (hereinafter referred to as the VAT Act) and also measures to support the payment of wage costs.

The Ministry of Finance of the Czech Republic (2024b) stated that the VAT Act does not allow for the postponement of the deadline for filing a VAT return, control statement or summary report. However, the taxpayer as well as the identified person may apply to the tax administrator for a waiver of penalties for late filing. In the event of a fine being imposed for late filing of a control report, it was decided that the Minister of Finance would use his powers under Section 260 of the Tax Code and waive the fine. In the event of an imminent delay in the payment of taxes or advances, entrepreneurs had the option of asking the tax administrator to postpone the payment or to divide it into installments. The Ministry of Finance of the Czech Republic (2024a) has also made it possible to adjust the amount of tax advances, or to waive them altogether. Looking at the provision of material donations, the Ministry of Finance of the Czech Republic (2024a) lists three model situations:

1. If the VAT payer did not purchase the goods for his economic activity, but for the purpose of donating them, he is not entitled to deduct tax under Section 72 et seq. of the VAT Act.
2. However, if the taxpayer has claimed the right to deduct tax in respect of the purchased goods, originally intended for his economic activity, then he is obliged to claim output tax when providing these goods as a material gift to persons affected by floods.
3. The same procedure shall also be applied by the taxpayer in the case of a provision of a service
4. without remuneration, if the taxpayer has exercised the right to deduct tax in respect of the relevant supplies received. In the present case, when providing a service without consideration for purposes other than those related to the performance of the taxpayer's economic activity, the taxpayer is obliged to apply output tax to this provision of the service.

Fig. 2 A model situation of VAT application when providing a material gift to persons affected by floods



Source: Own processing based on the Ministry of Finance of the Czech Republic (2024a)

From the point of view of the Income Tax Act, according to the Ministry of Finance of the Czech Republic (2024a), it is possible to reduce the tax base of individuals and corporations through donations. Donations must fulfil the purpose stipulated by law and be intended for a recipient defined by law. In a specific case, these supplies can be used as a gift of up to 30% of the tax base.

The Ministry of Labour and Social Affairs of the Czech Republic (2024) has prepared a programme that aims to support employers who had to suspend their activities due to flooding. The amount of the contribution is 50% of the wage compensation paid by the employer for the period when employees could not work as a result of the floods, including mandatory social and health insurance contributions. The maximum amount of the contribution was CZK 18,400 per month per employee.

The Ministry of Finance of the Czech Republic (2024a) also pointed out that according to Section 17a of the Real Estate Tax Act, land, buildings and relevant units affected by a natural disaster may be exempted from real estate tax by issuing a generally binding decree or a measure of a general nature. However, the decision is already fully in the hands of the relevant municipalities and cities.

The National Development Bank (2024), in cooperation with the Ministry of Finance of the Czech Republic, the Ministry of Industry and Trade of the Czech Republic and the Ministry of the Environment of the Czech Republic, prepared programmes aimed at supporting small and medium-sized entrepreneurs, the aim of which was to help the resumption of business activities affected by the floods.

According to the Ministry of Finance of the Czech Republic (2024c), from 1 November 2024, entrepreneurs could apply for an interest-free loan "Expansion Flood", for which an allocation of CZK 1,500,000,000 was earmarked. At the same time, applications for guarantees for loans provided by commercial banks began on the same date, with an expected allocation of approximately CZK CZK 3,500,000,000.

The "Loan – Flood Restart 2024" programme offered an interest-free investment loan supplemented by a subsidy component of up to 25% of the principal, effectively reducing the credit burden on business entities. The Flood Guarantee programme provided guarantees for investment and operating loans, thereby facilitating access to external financing for business operators, while supporting their stabilisation and further development.

The Ministry of Regional Development of the Czech Republic (2024) has also supported tourism in the Jeseníky Mountains and, in cooperation with the Olomouc and Moravian-Silesian Regions, has introduced a program of discount vouchers for accommodation. The aim of this instrument was to strengthen support for accommodation establishments that experienced a significant drop in visitor numbers as a result of the floods, while at the same time supporting the return of tourists to the region. The program allowed guests to draw a discount of CZK 300 per night for stays of two to seven nights, with a maximum discount of CZK 2,100 per person. A total of CZK 20 million has been allocated for financing, half of which was provided by the Ministry of Regional Development of the Czech Republic and the other half by the affected regions. The administration of the program was provided by DMO Jeseníky – Tourism Association. It is also important to draw attention to the fact that the use of vouchers was originally limited in time to the period from 2 January to 31 May 2025, but due to its popularity, it was extended from 15 September until 30 November 2025 (Jeseníky Voucher, 2025).

3.2 Support for entrepreneurs in Poland

According to the Contract Administration (2024), thanks to the quickly adopted legislation, entrepreneurs from flood-affected areas had extended support at their disposal, which included compensation for the costs associated with maintaining existing jobs, employment support, including the possibility of reimbursement of expenses related to the employment of persons from the unemployment register and, simplified payment terms without the application of penalties or interest in the event of late payment of their tax obligations.

Getsix (2024) reports that state aid to entrepreneurs in Poland included an extension of tax compliance deadlines, with a focus on VAT and personal and corporate income tax. The deadline for payment of VAT tax liability has been extended to 25 January 2025 and payments of income tax advances for the period August to December 2024 have also been postponed. For the tax period of September and October 2024, the deadlines for filing VAT returns for all taxpayers and recapitulative reports have also been extended until 25 November 2024. The Polish Ministry of Finance has also extended the deadlines for filing and paying inheritance and gift tax.

From 17 September 2024, a zero VAT rate was introduced for goods and services donated to flood victims through public benefit organisations, local governments, health entities and the Government Strategic Reserves Agency. This measure applied to donations made between 12 September and 31 December 2024. From 24 September 2024 to 31 March 2025, the zero VAT rate was applied, among other things, to construction materials intended for the repair or reconstruction of damaged real estate. The Ministry of Finance Republic of Poland (2024) has also introduced exemptions from customs duties and VAT on essential imported goods, such as food, medicines or clothing, intended for free distribution through state or charitable organisations. Entrepreneurs affected by the floods had the opportunity to claim a deduction or refund of costs associated with the acquisition of a cash register of up to PLN 2,000 and at the same time take advantage of the extended deadline for filing tax returns.

The Ministry of Development Funds and Regional Policy (2024) confirmed the approval of support for entrepreneurs with a total value of PLN 100,000,000. According to the ministry, it was supposed to be a supplementary financial instrument that significantly deciphered the spectrum of support for companies affected by the floods. The established fund was supposed to enable entrepreneurs to cover current costs, pay liabilities, pay wages and rebuild or modernize damaged infrastructure. The support also includes preferential long-term financing with a maturity of up to 10 years and a 12-month deferral of principal and interest payments, with the possibility of waiving up to 90% of debt. According to the ministry, it is absolutely

crucial that the fund covers both investment assistance to affected companies and the financing of their operating costs. The support is intended for entrepreneurs affected directly and indirectly, for example as a result of a reduced influx of tourists to the affected areas.

According to the Contract Administration (2024), the state aid also included the introduction of the institute of additional leave, which allowed employees affected by the floods to take up to 20 working days of paid leave intended to eliminate their consequences. At the same time, employers were entitled to apply for a partial refund of wage costs and related levies through the Employee Guarantee Fund.

Hobot (2025) points out that, according to data published by the Ministry of Agriculture and Rural Development, the floods that hit Poland in the fall of 2024 affected more than 72,000 farms, with damage estimated at almost PLN 2,280,000,000. In response to this situation, the government introduced a number of support measures through the Agencja Restrukturyzacji i Modernizacji Rolnictwa ('ARMA'). As part of the financial support to farmers, the agency has identified the need to differentiate support instruments according to the type of damage caused.

The measures introduced included aid to farmers affected by the floods, subsidies, waivers of the third and fourth installments of agricultural tax, and support for producers whose losses exceeded 30% of annual production. A total of PLN 44,550,000 of aid was granted to almost 2,000 farmers, with an average amount of PLN 22,700 per application. (Hobot, 2025)

Another challenge concerned damage caused by heavy rains and floods. ARMA issued a total of 155 decisions with a total value of PLN 3,680,000 with an average support of about PLN 23,800. In the area of agricultural tax, more than 1,500 farmers received support for a total of PLN 5,770,000. In connection with other climatic phenomena, such as hail, hurricane or frost, over 18,300 producers received support in the total amount of over PLN 10,000,000. Hobot (2025) highlights that at the same time, there were other challenges focused on farms affected by damage to buildings, livestock, machinery, bee colonies, nursery trees or ponds. The total amount of public support for these areas was PLN 250,000,000.

3.3 Support for entrepreneurs in Austria

According to Schwarz-Goerlich & Kaesebier (2024), the Austrian government presented a set of measures to respond to devastating floods on Wednesday, 18 September 2024. A key part of these measures was to triple the budget of the Federal Disaster Fund to EUR 1,000,000,000, as well as to provide the possibility of deferring tax obligations for entrepreneurs affected by the disaster. The Disaster Fund was conceived as an instrument providing financial resources both for the restoration and repair of damage caused by natural disasters and for the implementation of preventive measures aimed at minimizing damage that will occur in the future.

The Bundesministerium für Finanzen (2024) presented a set of tax measures intended for entrepreneurs affected by floods and landslides. Key attention was paid to entrepreneurs in particular:

extension of deadlines, adjustment or reduction of advance payments for collected taxes, exemption of certain payments from tax, the possibility of providing donations in connection with floods, adjustments in the area of tax payment and postponement of deadlines for filing tax returns, the possibility of using interest-free loans (up to EUR 100,000,000) and the possibility of part-time work for their employees.

In connection with tax reliefs for entrepreneurs affected by floods, the possibility of postponing the deadline for filing tax returns and the tax payment itself has been approved. Entrepreneurs affected by floods or landslides could apply for an extension of the deadline for filing a tax return (e.g. monthly VAT return or income tax return).

If they did not manage to submit an application for an extension of the deadline for filing the return in time, they still had the opportunity to apply for an extension of the deadline for filing an appeal. In relation to the payment of taxes, entrepreneurs affected by the floods could apply for a deferral of tax payment or for the payment of tax to be divided into instalments. The Federal Ministry of Finance also allowed them

to apply for a reduction or waiver of penalties in the event of late payment of the tax due. Entrepreneurs could also apply for an adjustment in the amount of personal and corporate income tax advances.

The state has also offered entrepreneurs the opportunity to accelerate the depreciation of property destroyed by floods, which allows for a substantial increase in their tax-deductible costs. In the case of the acquisition or production of tangible assets depreciated with a minimum period of use of four years, it was also possible to claim an investment deduction as a tax-deductible expense in addition to (linear or accelerated) depreciation.

Through the state agency Austria Wirtschaftsservice Gesellschaft mbH, a special program "Operational Flood Relief 2024" was launched in December 2024. This program was aimed at supporting tourism, business and industrial enterprises that suffered direct damage as a result of the flood disaster in September 2024. Support for entrepreneurs was provided in the form of interest-free loans and free guarantees. The aim of the program was to ensure the continuity of economic activity and the preservation of jobs in the affected regions.

Furthermore, the possibility of waiving the assessment of real estate transfer tax in whole or in part was approved if entrepreneurs affected by a natural disaster used the funds obtained to purchase replacement real estate in areas affected by floods.

Tax reliefs also concerned, among other things, donations. Donations¹ made to help affected areas could be deducted from the tax base by entrepreneurs, and these donations had to be made exclusively through approved organisations. Donations intended for the removal of damage caused by floods or landslides were exempt from income tax or wages on the part of the recipient of this gift. This approach could be applied in the case of business entities to both monetary and non-monetary donations. At the same time, the recipient of the gift did not generate any taxable income, regardless of whether it was a private person, an entrepreneur or an employee of the entrepreneur.

4. COMPARISON OF SELECTED COUNTRIES

Based on the comparison of the approaches of selected countries, a certain degree of agreement can be observed in some aspects of support for business entities. All the examined countries allowed entrepreneurs to extend the deadlines for filing income tax returns and value added tax (including related reports). It was also possible to request a deferral of advance payments. A similar approach of the examined countries can also be observed in the area of support aimed at the payment of wages (or part thereof) of employees of entrepreneurs affected by extraordinary events.

However, more significant differences are manifested especially in the area of VAT and the assessment of the tax deductibility of donations provided. Poland reacted flexibly by introducing a zero VAT rate on donations and construction materials provided, while the Czech Republic maintained the application of output VAT on both goods and services, even though they were used exclusively for the purpose of rebuilding the affected areas.

A specific situation also arises in connection with the donations provided and the possibility of deducting them from the income tax base. Unlike Poland and Austria, the Czech Republic has increased the maximum limits of donations that can be deducted from the tax base, while other countries have not taken this step.

Compared to other countries, Austria has demonstrated a significantly more proactive approach to the restoration of business assets, allowing both accelerated depreciation of destroyed assets and an increase in tax-deductible depreciation for newly acquired assets. A more detailed overview of individual areas for individual surveyed countries is given in Tables 1-6. Table 1 shows the basic tools

¹ In the business sector, monetary and non-monetary donations made to selected institutions receiving donations were deductible as tax-deductible expenses up to 10% of the company's profit.

of support for entrepreneurs after the floods in the area of income tax. The data in Table 1 show that Austria offered the most sub-aid instruments in the period under review.

Tab. 1 Support for entrepreneurs after floods in Austria, the Czech Republic and Poland in the area of income tax

Austria	<ul style="list-style-type: none"> ● postponement of the deadline for filing tax returns; ● deferral of payment of one's own tax liability; ● the possibility of waiving the penalties incurred; ● the possibility to request a deferral of tax payment or its distribution into instalments; ● the possibility to apply for an adjustment of the amount of income tax advances for natural and legal persons; ● the possibility of increasing tax-deductible depreciation of tangible assets; tax deductibility of donations up to the limit of 10% of the company's profit.
Czech Republic	<ul style="list-style-type: none"> ● the possibility to request a postponement of the payment of advances; ● the possibility of spreading advance payments into installments; ● the possibility to apply for an adjustment of the amount of income tax advances at the taxpayer's request; ● the possibility of claiming the provided gratuitous performance up to 30% of the tax base.
Poland	<ul style="list-style-type: none"> ● extension of the deadline for filing tax returns; ● extension of the deadline for the payment of advances for the period August to December 2024.

Source: own processing

Table 2 summarizes the instruments of support for entrepreneurs after the floods in the area of value added tax. Compared to the previous Table 1, it can be observed that Austria does not offer as many support options here as in the area of income tax. On the other hand, in the area of value added tax, we can register a relatively significant effort by Poland to support entrepreneurs in the specific situation of post-flood burden and at least to reduce the deadline pressure on entrepreneurs.

Tab. 2 Support for entrepreneurs after floods in Austria, the Czech Republic and Poland in the area of value added tax

Austria	<ul style="list-style-type: none"> ● postponement of the deadline for filing VAT returns; ● deferral of the payment of own tax; the possibility to request an extension of the deadline for filing an appeal (<i>note: if the entrepreneur did not manage to request a postponement of the deadline for filing a tax return</i>); ● the possibility of waiving the penalty imposed; the possibility to request a deferral of tax payment or its distribution into instalments.
Czech Republic	<ul style="list-style-type: none"> ● the possibility to apply for a waiver of penalties for late filing of VAT returns, control statements and summary reports. (<i>note: the VAT Act does not allow for a direct postponement of the deadline; possible waiver of penalties under Section 260 of the Tax Code</i>); ● it is not possible to claim input VAT deduction when providing material gifts or gratuitous services to persons affected by the flood;

	<ul style="list-style-type: none"> • When supplying goods or services to persons affected by floods, output tax must always be indicated.
Poland	<ul style="list-style-type: none"> • extension of the deadline for payment of tax liability (until 25 January 2025); • extension of the deadline for filing VAT returns for the September and October 2024 tax periods; • extension of the deadline for submission of summary reports (until 25 November 2024); the introduction of a zero VAT rate on goods and services donated to flood victims through selected organisations; • the introduction of a zero VAT rate applied to building materials provided for the repair of damaged properties².

Source: own processing

Table 3 presents a summary of support for entrepreneurs after the floods in the area of assistance to employers with the payment of wage costs. It is clear that in the case of Austria this aid is not clearly specified. On the other hand, the Czech Republic offered entrepreneurs up to 50% wage compensation, but up to CZK 18,400 per employee per month. Poland has allocated a special fund worth 100 million Polish zlotys for this support.

Tab. 3 Support for entrepreneurs after floods in Austria, the Czech Republic and Poland in the area of assistance to employers with the payment of wage costs

Austria	In the case of Austria, support for the payment of wage costs is not precisely specified. However, these costs are part of the current operating costs that Austria helped to pay for the affected entrepreneurs.
Czech Republic	The amount of the state contribution was 50% of wage compensation paid by the employer for the period when employees could not work as a result of the floods, including mandatory social and health insurance contributions. (<i>note: maximum CZK 18,400 per employee/month</i>).
Poland	Establishment of a fund to cover current costs, payment of liabilities, payment of salaries and restoration or modernisation of damaged infrastructure (<i>The total value of the fund was PLN 100,000,000</i>).

Source: own processing

Table 4 demonstrates the forms of support for entrepreneurs in the area of providing interest-free loans to entrepreneurs. Here it is evident that some support of this type has been implemented in all the countries monitored. However, each country has taken a different path and applied a different methodology for dealing with this issue.

Tab. 4 Support for entrepreneurs after the floods in Austria, the Czech Republic and Poland in the area of providing interest-free loans to entrepreneurs

Austria	<ul style="list-style-type: none"> • support for tourism, business and industrial enterprises in the form of interest-free loans and free guarantees. • the possibility to apply for interest-free loans up to a maximum of EUR 100,000,000.
Czech Republic	<ul style="list-style-type: none"> • small and medium-sized entrepreneurs had the opportunity to apply for an interest-free investment loan with favourable conditions;

² It was only about building materials provided between 24 September and 31 March 2024.

	<ul style="list-style-type: none"> the possibility of providing guarantees for loans provided by commercial banks from the National Development Bank.
Poland	<ul style="list-style-type: none"> Business renewal support – long-term preferential financing with a maturity of up to 10 years and a 12-month deferral of principal and interest payments, with the possibility of waiving up to 90% of debt.

Source: own processing

Table 5 illustrates other forms of support for entrepreneurs after floods, which could not be included in the previous examined areas. Similarly to Table 4, it is possible to observe a relatively high degree of variability of the instruments applied, with each country focusing on different forms of assistance. However, it is possible to observe some effort to relieve property taxes in all the countries monitored.

Tab. 5 Support for entrepreneurs after floods in Austria, the Czech Republic and Poland – other forms of support for entrepreneurs

Austria	Tripling the Disaster Fund (i.e. EUR 1,000,000,000).
	Tax advantage for newly acquired tangible assets – when acquiring new depreciated tangible assets, the possibility of increasing the tax depreciation by the so-called investment deduction.
	Real estate transfer tax – the possibility to waive the assessment of this tax by the tax administrator in whole or in part.
Czech Republic	"Vouchers Jeseníky" – special support for accommodation facilities. The maximum amount of the discount was CZK 2,100/person and a total of CZK 20,000,000 was allocated for this program.
	Support for compensation for private farmers on arable land, agricultural land and livestock. The total amount of support is CZK 40,000,000.
	Real estate tax – the possibility of a blanket exemption (by issuing a generally binding decree); exemption of specific immovable property (measures of a general nature). The maximum period of exemption (or partial exemption) is 5 years.
Poland	Inheritance and gift tax – extension of the deadline for filing a tax return and paying tax.
	Customs – exemption from customs duties and VAT on essential imported goods (e.g. food, medicines, clothing) distributed by state or charitable organizations.
	Reimbursement of part of the wage costs in the event that the employee has taken the opportunity to take additional leave intended for the removal of damage after the floods (<i>maximum 20 working days of paid leave</i>).
	Special aid to farmers - waiver of the third and fourth instalments of agricultural tax for farmers whose losses exceeded 30% of annual production; support for farmers affected by floods (<i>the total amount of support was PLN 44,550,000</i>); Support for farmers affected by floods - damage caused by heavy rains and floods (<i>Total support amounted to PLN 3,680.000</i>); Compensation for damage to farms - compensation for damage to buildings, livestock, machinery, bee colonies, nursery trees or ponds (<i>total amount of support PLN 250,000,000</i>).

Source: own processing

A summary of the aid and aid granted to business entities in the examined countries is presented in Table 6. It represents an unambiguous summary of whether or not institutions in selected countries tried to support entrepreneurs after the floods.

Tab. 6: Summary of support and assistance to entrepreneurs in individual countries

Area of support/Country	Austria	Czech Republic	Poland
Extension of the deadline for filing income tax returns	YES	YES	YES
Extension of the deadline for filing the value added tax return	YES	YES	YES
Extension of the deadline for payment of income tax advances	YES	YES	YES
Possibility to adjust the amount of income tax advances	YES	YES	NO
Limitation of the amount of tax-deductible donation for legal entities	YES ¹	YES ²	YES ³
Assistance with the payment of wage costs	YES	YES	YES
Exemption from real estate tax	NO	YES	NO
Exemption from real estate transfer tax	YES	NO	NO
Provision of interest-free loans	YES	YES	YES
Agricultural tax waiver	NO	NO	YES ⁴
Introduction of a zero VAT rate on donations made to selected organizations to help flood victims	NO	NO	YES
Introduction of a zero VAT rate on construction materials provided to help flood victims	NO	NO	YES
Exemption from customs duties on essential imported goods	NO	NO	YES
Acceleration of depreciation of property destroyed by floods	YES	NO	NO
Introduction of the possibility of increasing tax-deductible depreciation for newly acquired tangible assets	YES	NO	NO

(Note: 1) a maximum of 10% of the tax base; 2) a maximum of 30% of the corporate income tax base; 3) a maximum of 10% of the tax base; (4) in the case of farmers, if the losses exceeded 30% of the annual production.)

Source: own processing

It is obvious that while all countries were actively involved in some areas, some areas were often addressed by only one of the three monitored countries. The Czech Republic is the only country to accede to the real estate tax exemption. Austria is the only country to accelerate, for example, the depreciation of property destroyed by floods. For example, Poland was the only country to introduce a zero VAT rate on construction materials provided to help flood victims or to exempt from customs duties on essential imported goods. The scope of assistance varied in individual countries, but in a number of areas there was a consensus across the countries on the approach to helping entrepreneurs after the floods.

4.1 Recommendations for Czech legislators in the event of floods

On the basis of the established facts, the following areas have been formulated, which should be incorporated into the legislation of the Czech Republic in the event of natural disasters of a similar magnitude. This set of measures will contribute to accelerating the process of recovery of both the population and the business sector after floods or other natural disasters.

Introduction of a zero VAT rate on donations made to persons in areas affected by natural disasters
The Polish example shows that the application of a zero VAT rate in the event of extraordinary (flood) events and reduces the negative impact on the affected entities and the population. In particular, it would be temporarily expedient to apply a zero rate of value added tax to goods and services provided in the form of gifts during floods (or other natural disasters) that affect the territory of the Czech Republic. In this context, it is necessary to emphasize that the implementation of the measure should take place immediately after the crisis situation has arisen. Only the immediate and effective implementation of this measure can guarantee that its anticipated effects – especially the acceleration of the process of renewal of the affected regions and the strengthening of social stability – will be realistically fulfilled and reflected in practice.

Increase in the limit for deducting a gift from the income tax base

In the context of extraordinary events, a temporary increase in the limit for deduction of donations from the tax base can be understood primarily as a reward and recognition to donors, not as a primary motivation to provide a donation. The standard percentage limit may not reflect the extent of public-benefit solidarity in crisis conditions. An increased limit could therefore serve as a subsequent valuation of those who have already made a donation, while at the same time allowing for better consideration of the extraordinary extent of their support.

Increase in tax-deductible depreciation for newly acquired tangible assets

This measure would be an effective tool to support the business sector in periods of recovery after emergencies. Allowing higher tax-deductible depreciation on the acquisition of tangible assets would accelerate the revitalization of business activities and at the same time reduce the tax burden through the optimization of the income tax base. In times of crisis, the tax system would actively redirect reliefs to affected taxpayers, thus contributing to the improvement of their economic situation and to a faster return to full activity. Such a measure would therefore strengthen the investment capacity of enterprises, increase their resilience and accelerate the restoration of production capacity.

Introduction of the institute of additional leave when working on the restoration of property after floods

The introduction of the institute of additional leave, which would be provided to employees involved in the restoration of property damaged as a result of natural disasters, can be considered an appropriate and socially desirable measure in the field of labour regulation. The introduction of this institute would fulfil both the principle of social solidarity and the public interest in the accelerated rehabilitation of the affected areas. The essence of this institute would be the provision of time off work beyond the standard statutory leave, while maintaining the right to wages or salaries. This measure would be limited in time (e.g. by setting a maximum number of days), while the financial burden on employers should be fully compensated from public budgets.

CONCLUSION

The floods that hit Central Europe in September 2024 were one of the most serious natural disasters in recent decades, significantly affecting the social conditions of the population, the economic stability of the affected countries and the functionality of infrastructure. The analysis of the responses of the individual countries surveyed – Austria, the Czech Republic, and Poland – confirms the crucial importance of targeted support measures, which can not only mitigate the immediate effects of the crisis situation, but also create preconditions for long-term recovery and strengthening the resilience of regions affected by a natural disaster. Based on the results of the research, the following key measures were recommended:

- **Extension of the deadline for filing tax returns.** The introduction of this measure reduces administrative pressure on entrepreneurs in the crisis phase, improves the short-term liquidity of entrepreneurs and increases legal certainty in the event of disrupted operations.
- **Introduction of a zero VAT rate on donations made to persons in areas affected by natural disasters.** This measure, as Poland's good practice has shown, increases the volume and, above all, the speed of material assistance to people affected by natural disasters.
- **Increase in the limit for deducting a gift from the income tax base.** This measure acts as a subsequent reward and recognition of donors, expands the amount of resources raised for public benefit purposes and strengthens solidarity in society.
- **Increase in tax-deductible depreciation for newly acquired tangible assets.** The adoption of this measure in Austria has led to the acceleration of the renewal and modernization of assets needed for the performance of business activities and has supported productivity when restarting production or providing services.
- **Introduction of the institute of additional leave when working on the restoration of property after floods.** Practice in Poland has confirmed the effectiveness of this measure. The application of this measure in the Czech Republic would probably bring greater involvement of employees (the population) in the reconstruction of the region and would also strengthen social cohesion in communities.

Overall, these measures stabilise the situation in the affected regions, accelerate the recovery of economic activity to full capacity, and allow for a more efficient allocation and use of public and private resources in managing the impacts of emergencies. Their implementation in practice represents a fundamental step towards strengthening the Czech Republic's ability to respond effectively to the consequences of natural disasters, especially floods. The implementation of these measures will not only accelerate the process of recovery itself and stabilize the economic environment, but will also promote social cohesion and contribute to maintaining the standard of living of the population.

Further research will focus on a comparative analysis of the specified forms of support using quantitative data analysis, with the aim of capturing the extent of uptake by recipients and simultaneously examining the associated expenditures of state authorities and local governments.

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