

4. LEGAL FORMS OF BUSINESS IN THE CZECH REPUBLIC



INVESTICE DO ROZVOJE VZDĚLÁVÁNÍ

Výuka jazyků
prostřednictvím ICT

CZ.1.07/1.1.10/03.0026

LEGAL FORMS OF BUSINESS

- Sole proprietor
- Business companies
 - Capital
 - Limited liability company
 - Joint stock company
 - Personal
 - General partnership
 - Limited partnership
 - Silent partnership
 - Association
- Cooperatives

SOLE PROPRIETOR

- Valid trade licence or other permission
- Unlimited liability
- No capital required



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LIMITED LIABILITY COMPANY

- 1-50 people can establish it
- Minimum registered capital CZK 200,000
 - each member at least CZK 20,000
- Legal entity
- Registered with the Commercial Register
- Company bodies
 - shareholders' meeting, supervisory board, executives body
- Memorandum of Association
 - rights and obligations of members

Joint-Stock Company

- Individuals or legal entity can set up the company
- Minimum registered capital of CZK 2 mil.
- Legal entity
- Memorandum and the Articles of Association
- Registered with the Commercial Register
- Bodies:
 - general meeting of shareholders
 - supervisory board
 - board of directors as the statutory body



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GENERAL (UNLIMITED) PARTNERSHIP

- Two or more individuals or legal entities
- Legal entity
- Partnership Agreement
 - rights and obligations
- Registered with the Commercial Register
- Statutory body: each partner

LIMITED PARTNERSHIP

- At least one general partner and one or more limited partners
- Minimum contribution of limited partner: CZK 5,000
- Legal entity
- Partnership agreement
- Registered with the Commercial Register
- Statutory body – each general partner

SILENT PARTNERSHIP

- = investment for profit
- Established by written contract
- An individual or legal entity can set it up
- Limited liability



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ASSOCIATION

- Two or more individuals or legal entities
- It is not a legal entity
- Profits and losses are shared equally



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COOPERATIVES

- Five individuals or two legal entities
- Registered capital at least CZK 5,000
- Articles of Association
- Registered with the Commercial Register
- Legal entity



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