



What types of injuries count as work-related when they happen on business trips?

Since October 2015, new legislation has been in effect that makes occupational injuries more costly for employers. Employees continue to be compensated for work-related injuries according to a point system, but the new legislation has increased the number of points per injury for each employee and more than doubled the value of one point (from CZK 120 to CZK 250).

A work-related injury (i.e. an injury for which an employer is liable) is defined as bodily damage that occurs while performing work tasks or in direct connection with them. But while this definition sounds clear enough, individual cases may be more ambiguous in that there are a number work-related tasks that aren't directly connected to performing a job. One such is the commute to and from work. Another is business travel, which is a frequent source of injury.

Business trips (e.g. sales calls, negotiations, meetings, training, on-site work, etc.) don't just include specific work tasks, but also other activities not related to them that often make it difficult for employer's to determine whether an injury that occurs on a business trip qualifies as work-related or not.

To help clarify, below are some examples of when an employer is liable for an injury and when not:

En route to the means of transportation

An employer is not liable if an employee injures him/herself en route to the means of transportation (e.g. car, bus, train, plane) that will take the employee to the business travel destination. This also applies to the return journey back to the employee's home. According to case law, this counts as a commute, for which an employer isn't liable.

En route to/from the destination

Everything changes the moment the employee gets into the car that will drive him to the workplace or steps into the train station, bus station or airport. The employer is liable for any injury the employee suffers from this moment until he/she reaches the final destination. This includes travel from the bus station, train station or airport to the hotel where he/she will be staying, since according to case law, both types of travel relate directly to the employee performing his/her work.

Stay at the hotel

On the other hand, once the employee checks into his/her hotel, the employer is not liable for any injury that occurs during

the employee's stay there, since this doesn't relate directly to the employee performing his/her work.

En route from the hotel to the place of work and back

Furthermore, the employer is not liable if the employee injures him/herself while going from the hotel to wherever he/she will be working and back since this is considered the same as a commute.

While at the workplace

However, the employer is liable for any injury that occurs from the moment the employee steps foot in the place where he/she will be working until he/she leaves.

Examples of **work-related injuries** include:

- The employee slips on a wet floor in the train station where he/she has come to take a train to the business travel destination;
- The employee is injured in a car, bus, train or airplane accident while travelling to the business travel destination;
- The employee is injured in a taxi from the airport to the hotel where he/she will be staying;
- The employee is scalded by hot coffee while attending a meeting or training.

Examples of **non-work-related injuries** include:

- The employee is injured in a car accident on the way to the airport, where he/she is to take a plane to the business travel destination;
- The employee slips and fractures a wrist in the hotel room ;
- The employee sprains an ankle while going from the hotel to the designated workplace.

Mgr. Lenka Droscová, Associate ŘANDA HAVEL LEGAL

Legislative News

Let's look at the following selected legislative news from Q1 2016.

Minimum wage increase and changes to travel allowance rates

Starting from 1 January 2016, the minimum hourly wage was raised from CZK 55 to CZK 58.70 and the minimum monthly salary from CZK 9,200 to CZK 9,900. As a result, the minimum wage for different types of work, as graded according to the demands of the work, have also increased, as have meal allowance rates have also been increased.

Also from 1 January 2016, the basic compensation for use of a motor vehicle has gone up from CZK 3.70/km to CZK 3.80/km. However, the average cost for fuel was lowered, with the most significant change seen in diesel fuel, which was decreased from CZK 36.10/l to CZK 29.50/l.

Tax on acquiring real estate should be paid solely by the buyer

According to current legislation, the tax on acquiring real estate is paid by the seller, although this obligation may be transferred to the buyer by an agreement between the parties. However, there is currently an amendment to the legislation before the Senate that would make the buyer solely liable for paying the tax. The amendment is planned to go into effect from 1 April 2016.

Obligation to file control reports

Starting from 1 January 2016, registered VAT payers are obliged to submit regular control reports. Legal entities must submit their control reports within 25 days of the end of each calendar month, while natural persons are obliged to file their reports along with their VAT returns. Penalties for late filing or not filing start from CZK 1,000 and go up to CZK 50,000.

Criminal liability of legal entities

An amendment to the Act on Criminal Liability of Legal Persons is being reviewed by the House of Deputies as part of the final approval procedure. The amendment brings fundamental changes to the current legislation regarding punishment of legal entities for criminal acts and more than doubles the list of acts an organization can be charged with (e.g. causing harm to a consumer or oppression). The amendment also removes the current option for organizations to release themselves from criminal liability by effective repentance (usually by remedying the harmful consequences of the offence) for certain offences related to insolvency proceedings or public procurement. Consequently, if the amendment is adopted as proposed, organizations will need to implement effective controls to prevent employees from acting in a way that could make the organization criminally liable.

