

DOING BUSINESS IN SLOVAKIA



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- **COST AND NUMBER OF DAYS FOR OPENING A COMPANY-**
 - **Government fees : aprox. EUR 150 – 250 (depends on form of application, and subject of the bussiness, minimum 150)**
 - **Number of days: aprox 2– 5 weeks depends on the documentation needed for the establishemnt of the company**
- **COST AND NUMBER OF DAYS FOR CLOSING A COMPANY-**
 - **Government fees : EUR 50 – 250 (unless there is court proceeding)**
 - **Number of days: approx. 6-12 months, depends on the approval of Company Registry and legal proceeding (if any).. Cannot be shorter than 3 months.**
- **COST AND NUMBER OF DAYS FOR REGISTERING PROPERTY-**
 - **Government fees : EUR 60 – 300 (depends on way of application)**
 - **Number of days: 15 to 60 days**
- **COUNTRY RISK LEVEL CLASIFICATION:** **2022 Moody's - A2, Fitch A, S&P A+ (otlook – negative)**
- **ANNUAL GDP PER CAPITA:** **USD 18181,20 (2021), GDP Per Capita PPP: 31498,13 (2021)**
- **TOTAL COUNTRY GDP:** **USD 114,87 billion (2021)**
- **GDP GROWTH 2020-2021:** **+9,7% (2021 compare to 2020)**
- **COUNTRY LEVEL OF SECURITY OF INVESTMENT:** **Safe**
- **SPECIAL ZONES IN THE COUNTRY:** **Bratislava, Kosice, Nitra, Banská Bystrica, Zilina, Trnava, Trenčín, Presov**
- **RECOMMENDATION FOR INVESTMENT:** **Automobiles; metal and metal products; chemicals, machinery; earthenware and ceramics; textiles; electrical and optical apparatus; food and beverages; pharmaceutical**
- **BUSINESS CLIMATE:** **Very good**

TAXES IN SLOVAKIA



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- **TAX RATE-PERSONS:** Progressive rate 15% -19%- 25% with allowances, option to deduct up to 20.000 Euro as flat fee for costs without further proof (60% of income, maximum 20 000 Euro).
- **TAX RATE-COMPANIES:** 21% flat rate, since 1st of January 2021 taxpayers with taxable revenues up to EUR 49,790 per tax period are entitled to apply reduced tax rate of 15%. This is the final tax burden on 2021 corporate profits in some cases because dividends paid out of 2021 profits are not taxed in the hands of shareholder if the shareholders are corporate and based in other than non-cooperating state.
- **NON-RESIDENTIAL RENT/ LOCAL RENT OR GLOBAL RENT:** Rental income is taxed at 19%, after deductions. Generally, necessary expenses incurred to generate, ensure, and maintain rental income are deducted before arriving at the taxable income.
- **DOUBLE IMPOSITION TREATIES WITH (MAIN 4 COUNTRIES):** 69+ countries/ including China, USA, Malaysia, Mexico,
- **# YEARS FOR LOSSES COMPENSATION:** 5 years
- **EXEMPTIONS:** Approved Charitable Donations, Travel expenses, tax credit for each child living in the same household, interests on a mortgage if certain conditions are met, sale of properties held for more than five years, unless the property was used for business in the last five years
- **Profits tax:** Specific exemptions and deductions apply for the purposes of determining the net result of each income category, Foreign Losses of foreign permanent establishment (calculated based on Slovak tax rules) may be offset against domestic profits unless, on the basis of an applicable double tax treaty, the exemption method applies for double tax relief.
- **TAX ON PROPERTY:** Land tax is generally levied at 0.25% of the land value, as assessed by the municipality. Rates vary depending on the type of land and its location. Maximum rate cannot be higher than 5x minimum rate (except special situation). The general tax rate on buildings is €0.033 for every sq. m. occupied by the finished building. The general tax rate on apartments is €0.033 for every sq. m. of the flat's floor area.
- **TAX ON INTEREST:** 19% subject to exemption above mentioned and Comprehensive Double Taxation Agreement
- **TAX ON DIVIDENDS:** the withholding tax of 7% shall apply unless otherwise stated in the treaty; if the recipient is from non-cooperating state the rate of 35% applies
- **VAT TAX:** 10% / 20%, Export of goods and services is zero rated. Intra-Community supplies of goods are zero rated under certain conditions. Domestic businesses have to register for value added tax if their turnover for the past 12 months have reached 49,790 Eur