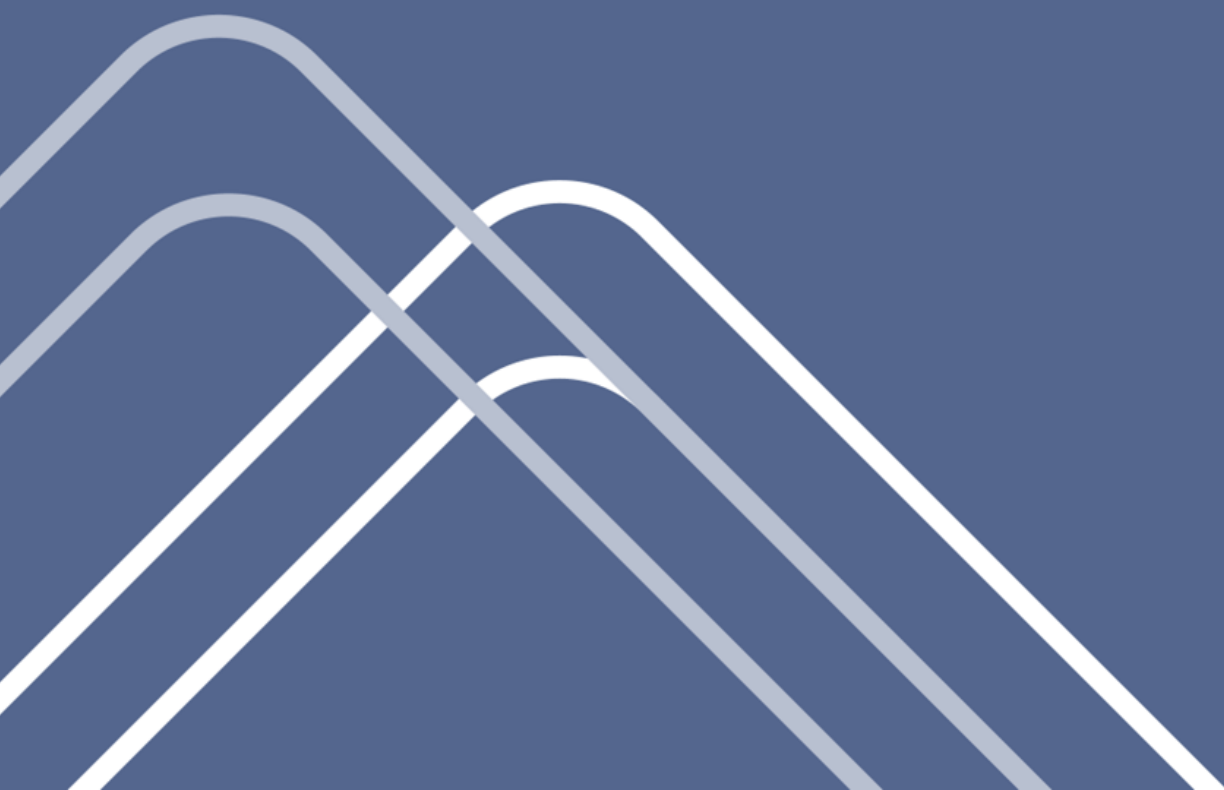


DOING BUSINESS IN SLOVAKIA



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INTRODUCTION

UHY is an international organisation providing accountancy, business management and consultancy services through financial business centres in nearly 100 countries throughout the world.

Business partners work together through the network to conduct transnational operations for clients as well as offering specialist knowledge and experience within their own national borders. Global specialists in various industry and market sectors are also available for consultation.

This detailed report providing key issues and information for investors considering business operations in Slovakia has been provided by the office of UHY representatives:

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Information in the following pages has been updated so that they are effective at the date shown, but inevitably they are both general and subject to change and should be used for guidance only. For specific matters, investors are strongly advised to obtain further information and take professional advice before making any decisions. This publication is current at April 2026.

We look forward to helping you do business in Slovakia.

BUSINESS ENVIRONMENT

BACKGROUND

The Slovakia is a parliamentary republic and a member of the **European Union, Eurozone, OECD and NATO**. Since joining the EU in 2004, Slovakia has developed into an open, export-oriented economy with a strong industrial base and growing services sector.

POPULATION

Slovakia has a population of approximately **5.4 million** inhabitants.

GEOGRAPHY

Slovakia is a landlocked country located in Central Europe, bordered by:

- the Czech Republic,
- Austria,
- Hungary,
- Poland, and
- Ukraine

The country has a strategic location with access to major European markets.

CURRENCY

Slovakia adopted the **euro** (EUR) in 2009 and is a member of the **Eurozone**.

LANGUAGE

The official language is Slovak. Foreign languages, particularly **English** and **German**, are widely used in business.

MAJOR EXPORTS

Slovakia is one of the most industrialised economies in Central Europe. Key export sectors include:

- automotive industry (vehicles and components),
- machinery and electrical equipment,
- metals and metal products,
- chemicals and plastics

Exports are primarily directed to other EU Member States, in particular **Germany, the Czech Republic, Poland, France and Austria**.

MAJOR IMPORTS

Key imports include:

- machinery and transport equipment,
- raw materials and energy,
- chemicals,
- intermediate goods for industrial production

Main import partners include **Germany, the Czech Republic, China, Poland and Austria.**

EDUCATION – PRIMARY AND SECONDARY

Education in Slovakia is compulsory for **10 years** and is provided free of charge in public schools.

The system includes:

- primary education, and
- secondary education (general or vocational)

TERTIARY EDUCATION

Slovakia has a network of public and private universities offering a wide range of study programmes.

Higher education is aligned with the Bologna Process, ensuring compatibility with European standards.

An increasing number of programmes are offered in English, particularly in technical and business fields.

HEALTH CARE SYSTEM

Slovakia operates a **mandatory public health insurance system.**

Health care services are provided through a network of public and private hospitals and outpatient facilities and are funded primarily through **health insurance contributions.**

COMMUNICATIONS

Slovakia has a well-developed telecommunications infrastructure, including:

- widespread broadband internet access,
- high mobile network coverage, and
- ongoing digitalisation of public services

Electronic communication with public authorities is standardised through official e-government systems.

BANKING AND FINANCIAL SERVICES

The Slovak banking sector is stable and well-capitalised, and largely owned by international banking groups.

A full range of financial services is available, including:

- corporate and retail banking,
- leasing and factoring,
- insurance services, and
- capital markets services

The sector is supervised by the **National Bank of Slovakia**, which forms part of the European System of Central Banks.

TRANSPORTATION LINKS

Slovakia has a developed transport infrastructure, including:

- a road network connecting major cities and neighbouring countries,
- rail connections across Central Europe,
- international airports, primarily in Bratislava and Košice, and
- access to the Danube River, an important European waterway

In addition, Slovakia benefits from close proximity to major international transport hubs, including Vienna International Airport (approximately 45 minutes from Bratislava) and Budapest Airport, further enhancing its accessibility.

LAND AND BUILDING

Land and buildings may generally be acquired by both domestic and foreign investors without significant restrictions.

Ownership rights are registered in the Cadastral Register. Certain regulatory restrictions may apply in specific areas (e.g. agricultural land).

HOLIDAYS IN SLOVAKIA

Public holidays in Slovakia include:

- **1 January** – Day of the Establishment of the Slovak Republic
- **6 January** – Epiphany
- **Good Friday and Easter Monday**
- **1 May** – Labour Day
- **5 July** – St. Cyril and Methodius Day
- **29 August** – Slovak National Uprising Day
- **1 November** – All Saints' Day
- **24–26 December** – Christmas Holidays

FOREIGN INVESTMENT

Slovakia is an open economy with a liberal foreign investment regime. Foreign investors are generally treated in the same manner as domestic investors and may conduct business in Slovakia without significant restrictions.

There are no general limitations on foreign ownership, and foreign investors may hold 100% ownership interests in Slovak entities.

Foreign direct investment in Slovakia is predominantly sourced from other EU Member States. The largest investors include the Netherlands, the Czech Republic, Austria and Germany, which together account for a significant share of total inward investment.

Forms of Investment

Foreign investors may enter the Slovak market through:

- incorporation of a Slovak legal entity (most commonly a limited liability company),
- establishment of a branch of a foreign entity, or
- acquisition of shares or assets in an existing Slovak company

The choice of structure depends on the nature of the business, regulatory requirements and tax considerations.

Regulatory Environment

Slovakia is a member of the European Union and the Eurozone, and its legal framework is aligned with EU legislation.

Foreign investment is generally not subject to prior approval. However, certain sectors are regulated and may require licences or authorisations, in particular:

- banking and financial services,
- insurance,
- energy,
- telecommunications, and
- defence-related industries

Investment Screening

Slovakia has introduced a foreign investment screening mechanism in line with EU legislation.

Foreign investments may be subject to review where they could pose a risk to national security or public order, particularly in areas such as critical infrastructure, strategic industries or sensitive technologies.

Certain investments classified as critical foreign investments require prior approval from the Ministry of Economy. Other investments may be reviewed either voluntarily or ex officio.

In practice, the screening mechanism is applied selectively and is not intended to restrict foreign investment.

Investment Incentives

Investment incentives may be available, particularly for projects in:

- manufacturing,
- technology and innovation,
- research and development, and
- shared service centres

Forms of incentives may include:

- corporate income tax relief,
- cash grants,
- contributions for job creation, and
- support for training and development

The availability and extent of incentives depend on factors such as the location, sector and scale of the investment.

Other Considerations

Foreign investors should also consider:

- registration of the ultimate beneficial owner,
- compliance with anti-money laundering regulations,
- electronic communication with public authorities, and
- sector-specific regulatory requirements

SETTING UP A BUSINESS

The Slovak Commercial Code provides several legal forms for conducting business in Slovakia.

All business entities must be registered in the Commercial Register (Obchodný register), which is maintained electronically.

There are no restrictions on foreign ownership, and foreign investors may hold 100% of the shares in Slovak entities. No local participation is required.

Legal Forms of Business

The most common legal forms include:

- branch (organisational unit) of a foreign entity
- limited liability company (spoločnosť s ručením obmedzeným, s.r.o.)
- joint-stock company (akciová spoločnosť, a.s.)
- limited partnership (komanditná spoločnosť, k.s.)
- general partnership (verejná obchodná spoločnosť, v.o.s.)
- co-operative (družstvo)

In practice, the limited liability company (s.r.o.) is the most frequently used legal form for both domestic and foreign investors.

Branch of a Foreign Entity

A foreign entity may conduct business in Slovakia through a branch (organisational unit).

A branch:

- does not have legal personality,
- acts on behalf of the foreign entity, and
- must be registered in the Commercial Register

The branch may only perform activities that are registered in the Commercial Register.

The foreign entity must appoint a head of the branch, who is registered as its representative. This person may be either a Slovak or foreign national.

The internal relations of the branch are governed by the law of the foreign entity's home jurisdiction.

Limited Liability Company (s.r.o.)

A limited liability company is the most common form of business in Slovakia.

Key characteristics:



- may be established by **one or more shareholders** (maximum 50)
- minimum registered capital: **EUR 5,000**
- minimum contribution per shareholder: **EUR 750**

Restrictions include:

- a company with a single shareholder cannot be the sole shareholder of another company
- an individual may not be the sole shareholder in more than three companies
- a person with outstanding tax or social security liabilities may not establish a company

Shareholders are liable for the company's obligations only up to the amount of their unpaid contributions.

The statutory body is the managing director (or directors).

Joint-stock Company (a.s.)

A joint-stock company may be established by:

- a single legal entity, or
- two or more individuals or legal entities

Key characteristics:

- minimum registered capital: **EUR 25,000**
- shareholders are not liable for the company's obligations
- the company is liable with its entire assets

A joint-stock company may be:

- **private**, or
- **public**, if its shares are admitted to trading on a regulated market or offered publicly

The company is governed by:

- a general meeting,
- a board of directors, and
- a supervisory board

Partnerships

General Partnership (v.o.s.)

- established by **at least two partners**
- partners are jointly and severally liable with their entire assets
- each partner may act on behalf of the partnership, unless agreed otherwise

Limited Partnership (k.s.)

- consists of:
 - **general partners** (unlimited liability), and
 - **limited partners** (liability limited to unpaid contributions)

- minimum contribution of a limited partner: **EUR 250**

General partners manage the company, while limited partners have restricted management rights.

Co-operative

A co-operative is a flexible legal form used to meet the economic or social needs of its members.

Key characteristics:

- minimum:
 - **5 individuals**, or
 - **2 legal entities**
- minimum registered capital: **EUR 1,250**
- members are generally not liable for the co-operative's obligations

The governing bodies include:

- members' meeting (supreme body)
- board of directors (statutory body)
- audit committee

Other Considerations

- Companies must register their **ultimate beneficial owner** in the relevant register.
- Communication with authorities is conducted electronically via official e-government systems.
- Certain regulated activities require special licences or permits.

LABOUR

Employment relationships in Slovakia are governed primarily by the Labour Code, which regulates working conditions, employee rights and employer obligations.

Types of Work Arrangements

Slovak labour law recognises the following types of work arrangements:

- employment contract
- agreements for work performed outside employment, including:
 - agreement on work performance – limited to 350 hours per calendar year
 - agreement on work activities – limited to 10 hours per week
 - agreement on temporary work for students – limited to 50% of standard weekly working time

These agreements may generally be concluded for a maximum period of 12 months, unless otherwise specified by law.

Employment Contracts

Employment relationships based on an employment contract represent the standard form of employment in Slovakia.

Employment contracts must be in writing and must include at least:

- type of work and its brief characteristics,
- place of work (or rules for determining it),
- commencement date, and
- wage conditions (unless agreed in a collective agreement)

Employers are also required to provide employees with written information on working conditions, including in particular:

- working time and its distribution,
- entitlement to annual leave,
- wage payment terms,
- notice periods and termination conditions, and
- training entitlements, if applicable

Remuneration

The minimum wage in Slovakia is determined annually and depends on the degree of job complexity. Each position is classified into one of six levels.

Minimum Wage by Job Complexity Level (2026)

Level of Job Complexity	Monthly Minimum Wage (EUR)	Hourly Minimum Wage (EUR)
Level 1	915	5.259
Level 2	1,031	5.925
Level 3	1,147	6.592
Level 4	1,263	7.259
Level 5	1,379	7.925
Level 6	1,495	8.592

The applicable minimum wage depends on the classification of the job based on its complexity, responsibility and required qualifications.

Working Time and Overtime

The standard working time is 40 hours per week.

Overtime is subject to statutory limits:

- a maximum of **150 hours per calendar year** may be ordered by the employer
- additional overtime may be performed **based on agreement with the employee**, provided that the **total overtime does not exceed 400 hours per calendar year**

Overtime may be required only in cases defined by law (e.g. temporary increased workload or public interest).

Employees are entitled to an overtime premium of at least **25% of average earnings**, unless compensated by time off.

Trial Period

A trial period may be agreed:

- up to **3 months**, or
- up to **6 months** for managerial employees

The trial period cannot be extended.

Annual Leave

Employees are entitled to:

- at least **4 weeks** of paid annual leave, or
- at least **5 weeks**, if:
 - the employee reaches 33 years of age in the relevant calendar year, or

- the employee permanently cares for a child

Employee Benefits

Certain obligations apply under Slovak law, in particular the requirement to create a **social fund**, which is typically funded at a minimum rate of **0.6% of the employee's gross wages**. The social fund may be used for employee-related benefits, such as meals, cultural and recreational activities, transport or accommodation contributions, and other welfare benefits in accordance with statutory rules.

Employees working more than **4 hours per day** are entitled to **meal provision**, either in the form of meal vouchers or a financial allowance, subject to statutory conditions.

The employer is required to contribute to employee meals in the amount of **at least 55% of the meal price**, while the contribution is capped at **55% of the meal allowance for a business trip lasting 5 to 12 hours**.

As of the latest legislation applicable in 2026:

- the minimum employer contribution is **EUR 3.84 per working day**,
- the maximum tax-efficient employer contribution is **EUR 5.12 per working day**,
- the same limits apply to both meal vouchers and financial allowances

The minimum value of a meal voucher is linked to statutory meal allowances and is currently **EUR 6.98**. These amounts are subject to periodic adjustments.

Employers may also provide **additional benefits** depending on their internal policies and market practice.

Termination of Employment

Employment may be terminated:

- by mutual agreement,
- by notice,
- by immediate termination (only in cases defined by law),
- during the trial period,
- upon expiry of a fixed-term contract, or
- upon death of the employee

Notice Period

The statutory notice period depends on the duration of employment:

Employer-initiated termination:

- at least 1 month (employment < 1 year)
- at least 2 months (employment 1–5 years)
- at least 3 months (employment > 5 years)

The employer may terminate employment by notice only for reasons explicitly defined in the Labour Code.

Employee-initiated termination:

- at least 1 month (employment < 1 year)
- at least 2 months (employment ≥ 1 year)

The employee may terminate employment by notice for any reason or without stating a reason.

The notice period commences on the first day of the calendar month following the delivery of the notice.

Social Security and Health Insurance

Social security and health insurance contributions are calculated as a percentage of the employee's gross income.

Social Security and Health Insurance Contributions (2026)

Type of Contribution	Employee Rate	Employer Rate	Maximum Assessment Base (monthly)
Sickness insurance	1.4%	1.4%	Applies (EUR 16,764*)
Old-age (retirement)	4.0%	14.0%	Applies (EUR 16,764*)
Disability insurance	3.0%	3.0%	Applies (EUR 16,764*)
Unemployment insurance	1.0%	1.0%	Applies (EUR 16,764*)
Health insurance	5.0%	11.0%	No cap
Guarantee insurance	—	0.25%	Applies (EUR 16,764*)
Accident insurance	—	0.80%	No cap
Reserve fund	—	4.75%	Applies (EUR 16,764*)

* The maximum assessment base for social insurance contributions for 2026 is EUR 16,764 per month.

Total Contributions

	Rate
Employee	14.4%
Employer	36.2%

TAXATION

The Slovak tax system comprises the following categories of taxes:

Direct Taxes

- Personal income tax
- Corporate income tax
- Motor vehicle tax
- Financial transaction tax
- Other direct taxes (municipal taxes), in particular, real estate tax levied on land, buildings and apartments

Indirect Taxes

- Value added tax (VAT)
- Insurance premium tax
- Tax on sugar-sweetened non-alcoholic beverages (so-called “sugar tax”)
- Excise Duties

No inheritance tax, gift tax or real estate transfer tax is levied in the Slovak Republic

Personal Income Tax

Tax Residency (Individuals)

An individual is considered a Slovak tax resident if they have a permanent residence, a domicile, or are habitually present in the territory of the Slovak Republic.

For these purposes:

- **Domicile** refers to the availability of accommodation that is not intended for temporary use only. Taking into account all relevant facts and circumstances, including the individual’s personal and economic ties to Slovakia, there must be a clear intention of the individual to reside in such accommodation on a permanent basis.
- **Habitual presence** means that the individual is physically present in Slovakia for at least 183 days in the relevant calendar year, either continuously or in several periods. Any day of presence, including a partial day, is counted towards this threshold.

However, individuals who are present in Slovakia solely for the purpose of study or medical treatment are not considered Slovak tax residents.

Furthermore, individuals who are deemed to be tax residents of another country under the provisions of an applicable double tax treaty are treated as non-residents of Slovakia.

Slovak tax residents are subject to tax in Slovakia on their worldwide income.

All other individuals are considered tax non-residents and are subject to Slovak tax only on their Slovak-source income.

Types of Income

For personal income tax purposes, taxable income is generally classified into the following categories:

- **Employment income** (income from dependent activities, including salaries, wages and other employment-related benefits)
- **Business and self-employment income** (income from business activities, other independent gainful activities, rental income, and income from the use of copyrighted works and artistic performances)
- **Investment income** (e.g. interest income, income from securities and bonds, and income from loans and receivables)
- **Other income** (including occasional, miscellaneous or other income not falling within the categories above)

Tax Base

The tax base is determined as the aggregate of all taxable income reduced by allowable expenses.

For employment income, only mandatory social security and health insurance contributions are deductible.

Entrepreneurs may deduct either:

- actual expenses, or
- lump-sum expenses amounting to 60% of income (subject to a statutory cap of EUR 20,000).

Tax Losses

Tax losses may generally be carried forward for up to five years and offset against taxable profits, subject to limitations (typically up to 50% of the tax base). Loss carry-back is not permitted.

Tax Allowances and Credits

The tax base may be reduced by:

- a **basic personal allowance**, which applies only to active income (i.e. employment income and income from business or other self-employment activities)
- a **spouse allowance** (subject to conditions)
- **contributions to supplementary pension savings** (up to EUR 180 per year)

As of 2026, the **basic personal allowance** amounts to **EUR 5,966.73**. However, the full amount may only be claimed by taxpayers whose annual tax base does not exceed **EUR 26,018.13**. If the tax base exceeds this threshold, the allowance is gradually reduced and is fully phased out once the tax base reaches **EUR 43,983.32**.

The **spouse allowance** may be claimed if the spouse lives in a common household with the taxpayer and meets statutory conditions. For 2026, the maximum spouse allowance amounts to **EUR 5,455.30**. The actual amount depends on:

- the taxpayer's tax base, and
- the spouse's own income

The allowance is reduced depending on these factors and may be partially or fully phased out.

In addition, the taxpayer may reduce their personal income tax liability by claiming a **tax bonus for dependent children**, subject to statutory conditions and income limits.

As of 2026, the tax bonus amounts to:

- **EUR 100** per month for each dependent child up to 15 years of age
- **EUR 50** per month for each dependent child aged between 15 and 18

The entitlement to the tax bonus also depends on the taxpayer's level of income. For higher-income taxpayers, the amount of the tax bonus is gradually reduced and may be fully phased out. The reduction of the tax bonus typically starts at an annual gross income of approximately **EUR 33,000**.

Furthermore, a **tax bonus on paid interest** may be claimed in relation to qualifying housing loans, subject to statutory conditions (e.g. age limit, income threshold and use of the loan for residential purposes). The bonus is provided as a reduction of the tax liability and is subject to an annual cap.

Personal Income Tax Rates

As of 1 January 2026, personal income tax in Slovakia follows a progressive tax system.

The progressive rates apply to:

- employment income
- rental income
- income from the use of artistic works and performances
- other income

The applicable tax rates are as follows:

- **19%** on the portion of the tax base **up to EUR 43,983.32**
- **25%** on the portion of the tax base **from EUR 43,983.33 to EUR 60,349.21**
- **30%** on the portion of the tax base **from EUR 60,349.22 to EUR 75,010.32**
- **35%** on the portion of the tax base exceeding **EUR 75,010.32**

These thresholds are linked to the subsistence minimum and are subject to annual adjustment.

For **income from business activities**, the applicable tax rate depends primarily on the level of taxable income.

A reduced tax rate of **15%** applies to taxpayers whose taxable income does not exceed **EUR 100,000**. If this threshold is exceeded, the progressive tax rates apply, as outlined above.

Compliance

Tax period: **calendar year**

Filing deadline: generally, **31 March of the following year** (extension possible)

Tax due: **upon filing**

Entrepreneurs are required to make advance payments depending on their last known tax:

- **Quarterly advance payments** are required if the tax liability exceeds EUR 5,000 but does not exceed EUR 16,600 (in the amount of one quarter of the last known tax liability)
- **Monthly advance payments** are required if the tax liability exceeds EUR 16,600 (in the amount of one twelfth of the last known tax liability)

Advance payments are generally payable during the current tax period and are credited against the final tax liability.

Corporate Income Tax

Taxable Persons

Corporate income tax applies to:

- Slovak tax residents (entities with a registered seat or place of effective management in Slovakia), taxed on worldwide income
- Non-residents, taxed only on Slovak-source income

Tax Base

The corporate income tax base is derived from the accounting profit (profit or loss) adjusted for tax purposes (i.e. adding back non-deductible expenses and deducting allowable items).

As a general rule, expenses incurred to generate, secure and maintain taxable income are tax deductible, unless they are explicitly defined as non-deductible.

Non-deductible expenses include, for example:

- gifts
- excess accounting depreciation over tax depreciation
- corporate income tax
- expenses related to tax-exempt income
- representation expenses
- impairment provisions for inventories
- impairment provisions for receivables (except for those explicitly allowed by the Income Tax Act)
- provisions (except for statutory provisions permitted by law)

Certain types of income are not subject to corporate income tax, including, for example:

- dividends from profits generated after 1 January 2004 (subject to specific exceptions)
- income acquired by inheritance or donation
- liquidation surplus distributions (subject to specific conditions)

Depreciation

Tax depreciation rules are governed by the Income Tax Act and differ from accounting depreciation.

Assets are classified into depreciation groups with periods ranging from 2 to 40 years, as follows:

- **2 years** (e.g. electric vehicles)
- **4 years** (e.g. PCs and other electronic office equipment, passenger cars and other motor vehicles)
- **6 years** (e.g. furniture, central heating radiators and boilers, generators)
- **8 years** (e.g. technological equipment, electric motors, transformers)
- **12 years** (e.g. prefabricated buildings made of concrete and metal, air-conditioning systems)
- **20 years** (e.g. industrial buildings, warehouses, business centres)
- **40 years** (e.g. residential and administrative buildings)

The straight-line depreciation method is generally applied. An accelerated depreciation method may be used for selected asset groups, where permitted by law.

Tax depreciation may be interrupted for one or more tax periods, without losing the right to continue depreciation in subsequent periods.

Tax Losses

Tax losses may generally be carried forward for up to five years and offset against taxable profits, subject to limitations (typically up to 50% of the tax base). Loss carry-back is not permitted.

Corporate Income Tax Rates

Corporate income tax rates in Slovakia depend on the level of taxable income (revenues) of the taxpayer.

The applicable tax rates are as follows:

- **10%** for small taxpayers with **taxable income not exceeding EUR 100,000**
- **21%** for taxpayers with **taxable income exceeding EUR 100,000 but not exceeding EUR 5,000,000**
- **24%** for taxpayers with **taxable income exceeding EUR 5,000,000**

The applicable rate is applied to the entire tax base, i.e. the system does not operate on a progressive basis.

In addition, a minimum corporate tax (so-called “tax licence”) applies to all taxpayers, regardless of whether they report a tax loss or lower tax base, unless they qualify for a statutory exemption.

The minimum tax is determined based on the level of taxable income (revenues) and represents a fixed annual amount as follows:

- **EUR 340** for taxpayers with **taxable income not exceeding EUR 50,000**
- **EUR 960** for taxpayers with **taxable income exceeding EUR 50,000 but not exceeding EUR 250,000**
- **EUR 1,920** for taxpayers with **taxable income exceeding EUR 250,000 but not exceeding EUR 500,000**
- **EUR 3,840** for taxpayers with **taxable income exceeding EUR 500,000 but not exceeding EUR 5,000,000**
- **EUR 11,520** for taxpayers with **taxable income exceeding EUR 5,000,000**

The minimum tax ensures that companies with low or zero tax liability contribute at least a minimum level of tax.

The minimum tax does not apply, for example, to:

- newly established companies in their first tax period, and
- companies in liquidation

Compliance

Tax period: **calendar or fiscal year**

Filing deadline: **within 3 months after period-end** (extension possible)

Tax due: **upon filing**

Advance payments are required depending on prior tax liability:

- **Quarterly advance payments** are required if the tax liability exceeds EUR 5,000 but does not exceed EUR 16,600 (in the amount of one quarter of the prior tax liability)
- **Monthly advance payments** are required if the tax liability exceeds EUR 16,600 (in the amount of one twelfth of the prior tax liability)

Advance payments are generally payable during the current tax period and are credited against the final tax liability.

Motor Vehicle Tax

Motor vehicle tax applies to vehicles registered in Slovakia and used for business purposes.

The tax base depends on:

- engine capacity (passenger cars), or
- weight and number of axles (trucks and trailers)

Tax is generally payable by 31 January of the following year.

Financial Transaction Tax

As of 2025, Slovakia has introduced the financial transaction tax (FTT), which applies to selected financial transactions carried out by businesses.

The tax generally applies to:

- outgoing payments from business bank accounts, and
- other specified financial transactions as defined by law

The tax is levied as follows:

- **0.4%** of the transaction amount, subject to a **maximum of EUR 40 per transaction**, and
- **0.8%** for cash withdrawals

The taxpayer is usually the entity carrying out the transaction, while the tax is collected and remitted by the financial institution (e.g. bank).

Certain transactions may be exempt from FTT, such as:

- transfers between accounts of the same taxpayer within the same bank,
- payments of taxes and social and health insurance contributions,
- selected financial or treasury operations, and
- other transactions specified by legislation

The introduction of FTT represents an additional compliance obligation for businesses operating in Slovakia.

Real Estate Tax

Real estate tax is a municipal tax levied on land, buildings and apartments.

Rates vary depending on:

- size
- location
- type of property

Municipalities have discretion to adjust statutory rates.

VAT (Value Added Tax)

Upon its accession to the European Union on 1 May 2004, the Slovak Republic implemented the EU VAT Directive into its national legislation. The Slovak VAT system is therefore largely harmonised with the VAT systems of other EU Member States.

VAT Scope

VAT is charged on:

- the supply of goods and services within Slovakia
- the intra-Community acquisition of goods
- the importation of goods from third countries

VAT Rates

- Standard rate: **23%**
- Reduced rates:
 - **19%** (e.g. electricity, selected foodstuffs, restaurant and catering services consisting of the supply of beverages intended for human consumption, except alcoholic beverages)
 - **5%** (e.g. selected basic foodstuffs, selected pharmaceuticals and medical devices, books, newspapers, magazines and other specified printed or similar publications, accommodation services, restaurant and catering services consisting of the supply of food)

VAT Registration

Domestic taxable persons

A taxable person established in Slovakia (i.e. with a seat, place of business or fixed establishment) is required to register for VAT if:

- their turnover exceeds **EUR 50,000** in a calendar year – in such case, VAT registration generally becomes effective from 1 January of the following year, or
- their turnover exceeds **EUR 62,500** – in such case, VAT registration arises immediately upon exceeding the threshold, or
- in other specific cases as provided for by the VAT Act

The taxpayer is required to submit a VAT registration application within **5 days** from the date on which:

- the relevant turnover threshold is exceeded, or
- another circumstance triggering VAT registration occurs.

Voluntary VAT registration is also possible, subject to meeting statutory conditions.

Foreign taxable persons

Recent legislative changes have significantly modified the registration rules for foreign taxable persons. Foreign entities are no longer required to register for VAT prior to commencing taxable activities in Slovakia. Instead, they become VAT payers:

- upon carrying out a taxable supply in Slovakia,
- upon receiving a prepayment for such supply, or
- upon acquiring goods in Slovakia from another EU Member State (in certain cases)

A foreign taxable person is required to submit a VAT registration application within **5 days** from the date on which it becomes a VAT payer.

Certain transactions do not trigger a VAT registration obligation, in particular:

- supplies subject to the reverse charge mechanism,
- triangulation transactions,
- selected VAT-exempt supplies, and
- supplies covered under the OSS scheme for e-commerce

Special VAT Registration Cases

Even if a person is not a VAT payer, VAT registration (or VAT identification) may be required in specific cases, for example:

- intra-Community acquisition of goods exceeding **EUR 14,000 per calendar year**
- receipt of services from another EU Member State (reverse charge)
- supply of services to another EU Member State where the recipient is liable to account for VAT

VAT Compliance

- **Tax period:**
 - **monthly**, or
 - **quarterly**, if the taxpayer's turnover does not exceed **EUR 100,000** for the preceding 12 consecutive calendar months
- **VAT return filing deadline:** by the 25th day following the end of the tax period
- **Payment deadline:** aligned with the VAT return filing

Newly registered VAT payers are required to file monthly VAT returns for at least the first 12 months.

A **VAT control statement** must be submitted together with the VAT return and provides detailed information on transactions reported.

Intra-Community supplies must be reported in **the EC Sales List**, filed:

- **monthly**, if the total value of goods supplied to other EU Member States exceeds **EUR 50,000** in the current calendar quarter or in any of the previous four calendar quarters, or
- **quarterly**, if the above threshold is not exceeded or if only services are supplied to other EU Member States
- by the **25th day** following the reporting period

VAT Refund

Foreign taxable persons not registered for VAT in Slovakia may claim a refund of Slovak VAT, subject to conditions:

- **EU entities** apply via their home tax authority
- **non-EU entities** apply directly in Slovakia

Refund claims are subject to statutory deadlines and minimum thresholds.

Insurance Premium Tax

Insurance premium tax applies to **non-life insurance** where the insured risk is located in the Slovak Republic.

As of 2026, the applicable tax rates are:

- **10%** – standard rate applicable to most non-life insurance products
- **0%** – applicable to compulsory motor third-party liability insurance

The person liable to pay the tax is generally the **insurance company**. However, in specific cases, the tax liability may shift to:

- the **policyholder**, where the insurance premium is paid to an insurer established outside Slovakia without a local branch, or
- a **Slovak entity to which the insurance costs are recharged**

Tax on Sugar-Sweetened Non-Alcoholic Beverages

As of 2025, Slovakia has introduced a tax on sugar-sweetened non-alcoholic beverages, including beverages containing added sugar or other sweeteners, as a public health measure.

The tax applies to selected non-alcoholic beverages containing added sugar or sweeteners, including in particular:

- soft drinks and flavoured beverages,
- syrups and concentrates intended for the preparation of beverages, and
- other specified beverages as defined by legislation

The scope and classification of taxable products are determined by the relevant legal provisions.

The person liable to pay the tax is generally:

- the **producer**, or
- the **importer** of the beverages into Slovakia

Excise Duties

Excise duties are levied on:

- energy products (e.g. petrol, gas oil, kerosene, LPG)
- alcoholic beverages (beer, wine, intermediate products and spirits)
- tobacco products
- electricity, coal and natural gas

ACCOUNTING AND REPORTING

Accounting and financial reporting in Slovakia are governed primarily by the Accounting Act and related regulations issued by the Ministry of Finance. These regulations set out the rules for:

- accounting principles and methods,
- bookkeeping and financial reporting,
- valuation of assets and liabilities, and
- disclosure and audit requirements.

Accounting Framework

Slovak accounting standards are based on the Accounting Act, which regulates:

- general accounting principles,
- bookkeeping and closing procedures,
- valuation rules,
- determination of profit or loss, and
- the structure and content of financial statements.

Certain entities (e.g. banks, insurance companies, securities traders and other regulated entities) are required to prepare their individual financial statements in accordance with IFRS.

Consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union.

Accounting Period

The accounting period is:

- a **calendar year**, or
- a **financial year** consisting of 12 consecutive calendar months

An accounting entity may adopt or change its accounting period to a financial year. This must be notified in writing to the tax authorities:

- within **30 days from the establishment of the entity**, or
- at least **15 days prior to the change of the accounting period**

Classification of Accounting Entities

Entities are classified as **micro**, **small** or **large** based on meeting at least two out of three criteria over two consecutive years:



Category	Total assets	Net turnover	Average employees
Micro	≤ EUR 450,000	≤ EUR 900,000	≤ 10
Small	≤ EUR 5,000,000	≤ EUR 10,000,000	≤ 50
Large	> EUR 5,000,000	> EUR 10,000,000	> 50

This classification affects the scope of reporting and disclosure obligations.

Financial Statements

Financial statements generally consist of:

- a **balance sheet**,
- a **profit and loss statement**, and
- **notes to the financial statements**

Large accounting entities are also required to prepare a **cash flow statement**.

The notes to the financial statements include information necessary to assess the entity's:

- assets and liabilities,
- financial position, and
- financial performance

including a description of accounting policies, valuation methods and depreciation rules applied.

Financial statements for micro entities are significantly simplified.

Audit Requirements

Audit requirements apply to:

- all consolidated financial statements,
- entities preparing financial statements in accordance with IFRS,
- listed companies and other regulated entities, and
- entities exceeding statutory thresholds

An audit is required if at least two of the following criteria are met:

- total assets exceed **EUR 4,000,000**,
- net turnover exceeds **EUR 8,000,000**,
- average number of employees exceeds **50**

The audit must be completed within the statutory deadline following the end of the reporting period.

Filing and Publication

Financial statements must be:

- filed with the tax authorities within 6 months after the end of the accounting period, and
- automatically published in the Register of Financial Statements upon submission

If financial statements are approved after filing, the entity must notify the authorities within **15 working days** following their approval.

Entities subject to statutory audit are also required to prepare and publish an **annual report**, which includes:

- selected financial information,
- the auditor's report,
- a description of the entity's activities,
- an outlook on future development, and
- other information as required by the Accounting Act

In addition, certain entities are subject to additional reporting obligations, in particular:

- a **sustainability report**, prepared in accordance with applicable ESG and EU requirements (e.g. CSRD), and
- a **report on income tax information** (public country-by-country reporting), as required by relevant EU legislation

The scope and content of these reports depend on the size, nature and structure of the entity.

UHY IN SLOVAKIA



AUDITOR SK s.r.o.

Slovak Republic

CONTACT DETAILS

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Year established: 1999
PCAOB revistered? No
Number of partners: 2
Total staff: 18

OTHER IN-COUNTRY OFFICE LOCATIONS AND CONTACTS

Piestany

BRIEF DESCRIPTION OF FIRM

AUDITOR SK s. r.o. (Ltd.) currently provides a wide range of accounting, tax and business advisory services, mostly to limited companies, individuals and multinational organisations from all around the world. The team deals with daily financial and business problems of foreign investors in Slovakia. Additionally, we have support from our sister companies in the Czech Republic with nearly 100 staff and in Austria with 20 staff.

PRINCIPAL OPERATING SECTORS

Construction
Engineering
International transport
Insurance
Property
Lawyers
Franchising
Manufacturing corporations

LANGUAGES

Slovak, Czech, English, German.

CURRENT PRINCIPAL CLIENTS

Confidentiality precludes disclosure in this document.

OTHER COUNTRIES IN UHY CURRENTLY WORKING WITH, OR HAVE WORKED WITH IN THE PAST

Austria, France, Germany, Hungary, Ireland, Israel, Spain, UK, Poland, USA, Netherlands

BRIEF HISTORY OF FIRM

The company was founded in 1999 as a subsidiary of Auditor s.r.o. in the Czech Republic by two already experienced partners: Stöger & Zallmann from Austria. Auditor SK s.r.o. joined UHY in 2000. The firm now has three partners in two offices – one in Piestany.

Let us help you achieve further business success

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